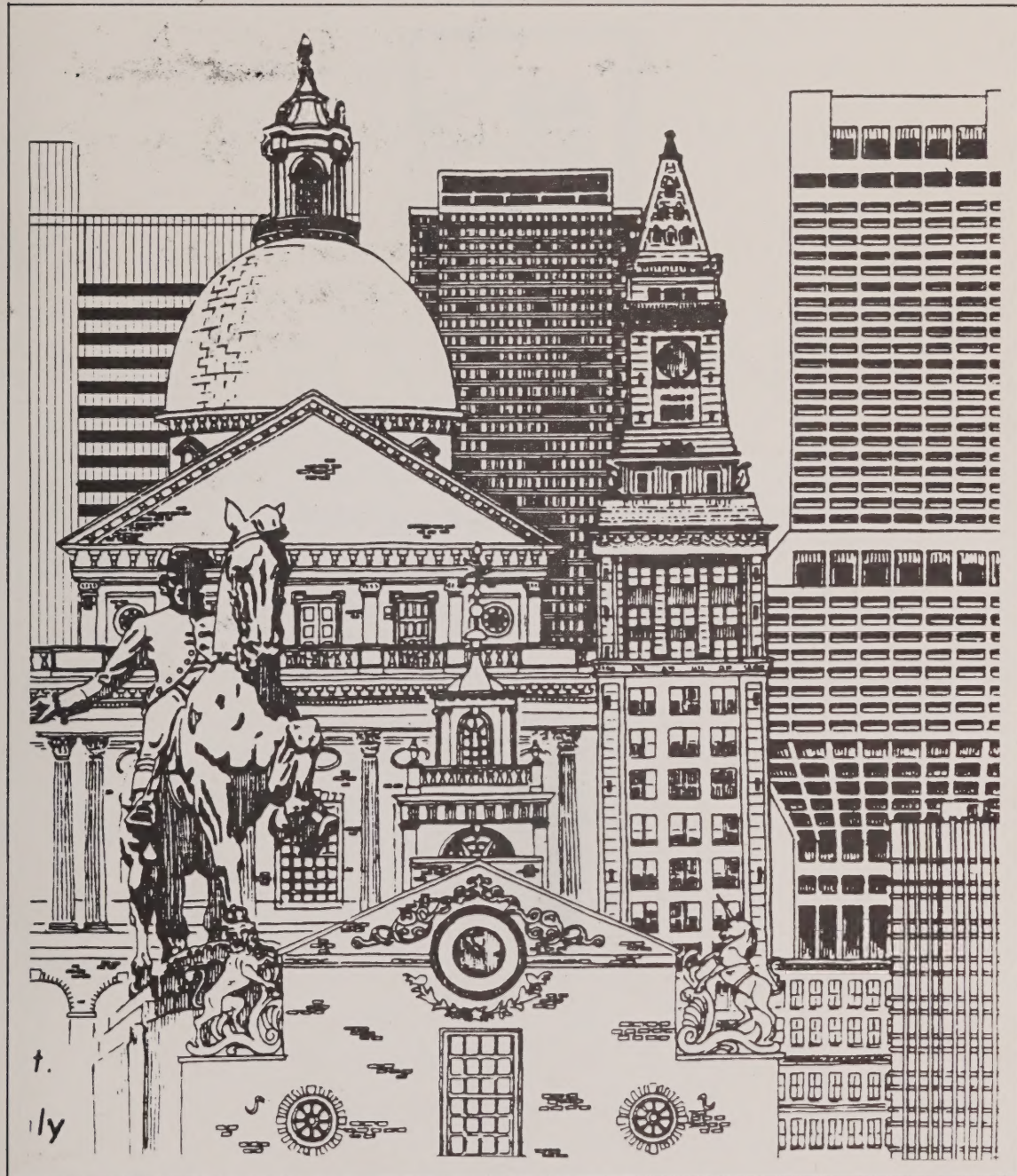


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DOWNTOWN PROJECTS

• OPPORTUNITIES FOR BOSTON •



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DOWNTOWN PROJECTS

• OPPORTUNITIES FOR BOSTON •

October 30, 1984

DEVELOPMENT CALENDAR

PROJECT	1984	1985	1986	1987	1988	1989
99 STATE STREET						
ROWES/FOSTER WHARVES						
INTERNATIONAL PLACE						
150 FEDERAL STREET						
101 FEDERAL STREET						
ONE FRANKLIN PLACE						
99 SUMMER STREET						
ARLINGTON/HADASSAH						
500 BOYLSTON STREET						

CONSTRUCTION

OCCUPANCY

DOWNTOWN PROJECTS



① Post Office Square Park & Garage

② 99 State Street

③ Rows & Foster Wharves

④ International Place

⑤ 150 Federal Street

⑥ 101 Federal Street

⑦ 1 Franklin Place

⑧ 99 Summer Street

⑨ Arlington / Hadassah

⑩ 500 Boylston Street

DOWNTOWN PROJECTS
OPPORTUNITIES FOR BOSTON

Table of Contents

	<u>Page</u>
I. INTRODUCTION	1
II. ECONOMIC CONTEXT	9
III. PROJECT DESCRIPTIONS	27
Post Office Square Park and Garage	29
99 State Street	33
Rowes and Fosters Wharves	37
International Place	41
150 Federal Street	45
101 Federal Street	49
One Franklin Place	53
99 Summer Street	57
Arlington/Hadassah	61
500 Boylston Street	65
IV. PUBLIC BENEFITS	69
V. FOLLOW THROUGH	78

Introduction



INTRODUCTION

For many, Boston epitomizes and combines the best elements of the American Experience: a commitment to individual rights and freedoms, an appreciation for educational rigor, a tolerance for ethnic, racial, and cultural diversity, and a respect for ingenuity and private initiative. More than 350 years old, Boston's urban fabric is a richly woven tapestry of varied scale and design. To a greater extent than any other major American city, Boston preserves its past while maintaining a healthy climate for new and growing enterprises.

The primary purpose of this report, Downtown Projects, is to inform the public about the policy choices involved in downtown growth. It seeks to accomplish this in two ways. First, the report disseminates information on the overall economic picture of the city, the downtown office market, Boston's poverty and unemployment, its labor force, the ten major downtown projects recommended for approval, the public benefits from these projects, their outstanding approvals, and the opportunities that remain for the public to participate. Second, the report seeks to inform by setting a precedent for the public disclosure of information, processes, and decisions that affect downtown development. In the past, downtown development issues were rarely aired in a meaningful public dialogue. This report seeks to reverse that trend. It announces several policy initiatives: the establishment of a Boston-residents jobs program; the creation of a Neighborhood Development Bank; the formation of a Design Advisory Committee; and the commencement of a comprehensive downtown planning process.

The report also seeks to present information and public choices in a useful form. A development project, for example, must be studied within certain contexts: its physical location and design, its fiscal consequences, and its procedural status. Moreover, both the local and national economic context within which a project operates must be studied, as well as its particular localized economic and human benefits. In a larger sense, to understand a project proposal and its context is to understand the context of Boston itself.

In recent years, the city's economy has experienced a recovery of historic proportion. Today, standing as a national leader in an emerging information-based economy, Boston excels in providing skilled services and in conducting complex business transactions. Indeed, for the remainder of the decade, economic forecasts predict that Boston's service based economy will yield a period of sustained growth and expanding employment opportunity. In the midst of this good fortune, however, poverty, underemployment, substandard housing, and barriers to economic opportunity persist. Even though Boston contains more jobs than people, its residents hold only roughly 40 percent of these jobs, a proportion lower than twenty years ago. Moreover, Boston provides nearly 37 percent of all jobs for the metropolitan area, but its residents receive less than 15 percent of the region's total personal income. Fully 42 percent of all people in the metropolitan area living under poverty conditions are Boston residents. Worse yet, poverty in Boston has risen during the recent business boom.

This apparent lag in Boston-resident participation in the benefits of the Boston economy is a principal factor behind the concentrated poverty in Boston and the deteriorated conditions in many of its neighborhoods. Unless sustained efforts are made to increase the employment opportunities of Boston residents, other programs and initiatives designed to revitalize the city's neighborhoods will fail without recourse. Accordingly, at the center of the public debate over Boston's growth policies is not the issue of the height, design, or massing of buildings, although these are important concerns. The critical issue is economic justice. The first question in this debate is: How can we increase employment opportunities for Bostonians and thereby strengthen the city's neighborhoods? This report is designed to initiate that discussion and to set new policy directions that squarely address the Boston paradox of simultaneously increasing wealth and poverty.

Presented here is a summary report on the status of ten private downtown project proposals which, after careful analysis and modification, have received the support of the Flynn Administration. As noted above, the report includes detailed descriptions of these projects, their market impacts, and the benefits they present to the community. Also outlined are the specific initiatives being undertaken to deliver these benefits of growth to Boston's neighborhoods. Totalling over \$1.26 billion in private investment, the ten downtown projects will lead to an estimated 13,143 construction jobs, 24,710 new permanent jobs, \$40.76 million in special revenues, \$30.98 million in new city tax revenues, and nearly \$25 million in low and moderate income housing linkage payments. The tables on the next two pages briefly summarize the projects and their benefits.

Mayor Flynn and his Administration support the approval of these projects for two policy-oriented reasons: (1) The projects tangibly extend development benefits to Boston's neighborhoods, providing several significant benefit programs in addition to the current housing linkage program; and (2) The projects comport with the existing character of Boston's downtown commercial center; consistent with the administration's commitment to maintaining development opportunities for an expanding office economy, provided the buildings and their locations are appropriate for such use, the scale and mass of the ten projects has been purposively reduced. The administration's objective in approving these projects is to harness the increase in the office economy to benefit Boston's neighborhoods and their residents. This objective is necessary to ameliorate the poverty conditions which have risen in part through an inefficient and inequitable distribution of jobs and financial benefits of downtown growth. Three of four jobs have gone to commuters while unemployment in some neighborhoods is double and triple the metropolitan rate and while 20% of Bostonians live below the poverty level.

The support of major commercial projects in the city's downtown recognizes that the city's center is the heart of a regional service economy. It is important for Boston and its citizens that larger scale commercial uses continue to be supported in central city locations. What this report demonstrates is that this can be done in a way that respects the city's unique heritage and in a way that promotes the economic well-being of Boston's people and the strengths of its neighborhoods. These goals are not mutually exclusive. Expanded employment, increased tax revenues, and affordable housing opportunities for Boston residents are the major potential benefits desired for these projects.

DEVELOPMENT MAGNITUDE

Project	Size						Cost
	Total Area (000s SF)	Rentable Area (000s SF)		Floor/ Area ¹ Ratio	Height		For Total Development ² (000s)
		Office	Retail		Stories	Feet	
99 State Street	600	510	50	12.25	22	265	\$ 90,000
Rowes/Fosters Wharf	665	340	13	4.00	16	182	150,000
International Place	1,657	1,471	70	14.37	46	600	414,000
150 Federal Street	510	475	10	13.71	26	348	90,000
101 Federal Street	505	469	15	16.50	28	382	101,000
One Franklin Place	416	340	46	12.50	20	273	80,000
99 Summer Street	264	239	10	12.60	20	282	39,600
Arlington/Hadassah	486	112	45	9.56	12	130	80,000
500 Boylston Street	1,379	1,200	100	9.50	25	330	289,000
TOTALS	6,482	5,156	359				\$1,333,600

NOTES

1. Total above-grade floor space divided by site area.
2. Total cost of the project as estimated by the developer.

ECONOMIC BENEFITS

Project	Revenues			Jobs	
	Additional ¹ Revenues (000s)	Net New ² Taxes (000s)	Linkage ³ Payments (000s)	Construction ⁴	Permanent ⁵
99 State Street	\$ 8,000	\$ 2,212	\$ 2,300	859	2,160
Rowes/Fosters Wharf	NA	3,618	2,085	1,118	1,590
International Place	25,000	10,390	7,785	3,500	7,200
150 Federal Street	NA	1,523	1,925	1,500	2,170
101 Federal Street	NA	2,029	1,920	975	2,265
One Franklin Place	NA	1,952	1,411	800	1,800
99 Summer Street	NA	1,008	745	416	1,200
Arlington/Hadassah	NA	1,411	355	975	620
500 Boylston Street	7,766	6,841	6,000	3,000	5,705
TOTALS	\$40,766	\$30,984	\$24,526	13,143	24,710

NOTES

1. Proceeds to the City from the sale of surplus garages.
2. Increase in City tax revenue after development completion, as estimated by the BRA and the City Assessor for fiscal year 1990.
3. Development Impact Project Plan payments to the Neighborhood Housing Trust, paid in twelve equal annual installments beginning at project completion or two years after construction start.
4. Full time year-long jobs created by project construction, as estimated by the developer.
5. Office and retail employees with jobs in the project.

As a first step towards accomplishing these objectives, two initiatives are proposed: (1) requiring Boston hiring plans from each development team; and (2) establishing an employment task force to improve cooperation between the public and private sectors. It should be noted that all ten development teams have agreed to work with the Administration to provide employment opportunities for Boston residents. A more detailed discussion of the public benefits from these projects is included in Part Four of the report.

Not to be overshadowed by the economic opportunity provided by these projects is the major step they take toward restoring the downtown's architectural fabric through the scaling down of building heights, the inclusion of parapet setbacks, and the preservation of historically important facades. This was achieved by conducting a comprehensive design review on all ten development projects presented in this report. As indicated in Part Three, Project Descriptions, these reviews frequently resulted in reduced project height and size; nine of the ten projects are less than 400 feet tall and under 30 stories high.

Such reduced project heights also contribute to improving the comfort of pedestrian environments. Wherever possible, buildings include dining areas, enclosed pedestrian arcades, and access to the transit system. Walkways have been designed to link the major pedestrian destinations in the Downtown Crossing, Financial District, and Quincy Market. Several projects have contributed funds for the redesign and maintenance of existing public parks. Finally, all projects dramatically improve the surrounding sidewalk and public areas, including the provision of landscaping, seating, and trash receptacles.

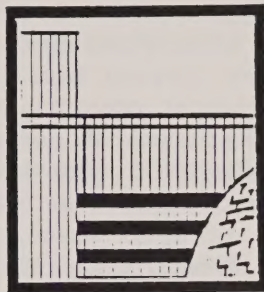
Many of the issues raised in the design review of these ten projects should in the future be addressed within the context of a clearly stated comprehensive downtown plan. Such a plan would incorporate the Administration's economic and neighborhood revitalization goals, and its design and environmental objectives, as well as the community's aspirations for the downtown. A plan of this scope, however, has not been produced since 1965. Market forces and governmental actions since then have irrevocably altered the issues facing the downtown, as private sector investment and private orderings, though guided by the public sector, have surpassed public investment in importance. To address these issues, the Administration, through the Boston Redevelopment Authority, has begun a planning effort that will result in a new planning discussion document, "Downtown by Design," to be published in December. By proposing comprehensive planning goals and development guidelines for the downtown, such a document is intended to initiate an extensive public participation process.

Similarly, to ensure public participation in the development decision process, the Administration will establish a Design Advisory Board to review public and private development proposals and to advise the Boston Redevelopment Authority on project design issues. All project reviews will take into account the planning objectives that result from a downtown planning process. The Design Advisory Board will review development proposals of 100,000 square feet or greater in size, irrespective of their location within the city; these are the proposals that typically have the greatest public impact and the most complex designs.

Substantial public comment on the ten development proposals presented in this report is indeed still possible. Approximately seventy-two separate public actions by a variety of boards, commissions, and agencies will be required before the projects can begin development, and more than forty opportunities for the public to be heard remain. A summary and description of the outstanding approvals, as well as a table entitled "Opportunities for Public Review," are included in Part Five of this report.

In sum, this report not only disseminates information and announces support for ten major downtown developments and their corresponding public benefits, it also indicates the direction in which the downtown is heading. In a phrase, it is heading toward balanced growth. In these times, the role of public agencies is to strive for policies that benefit all citizens of Boston. The downtown commercial and financial areas must be seen as centers of economic opportunity; these opportunities cannot be squandered. At the same time, however, the benefits of these developments--jobs, tax revenues, public amenities, housing programs and other initiatives--must be extended to those who have been excluded from the considerable benefits of downtown growth, the people of the neighborhoods.

Economic Context



ECONOMIC CONTEXT

Boston is a national leader in communications, finance and money management, professional services, higher education, and medicine. The city has one of the wealthiest economies of any city in the U.S., yet paradoxically, Boston also has some of the nation's worst poverty conditions. A major reason for this anomaly is the poor participation of city residents in the Boston job market. Only 25 percent of Boston's downtown office jobs--and 40 percent of all jobs citywide--are held by people who live in Boston.

The alleviation of poverty in Boston can, in part, be furthered through increased efforts to provide jobs for Boston residents. This section addresses four aspects of this issue. Part One, Boston's Changing and Expanding Economy, begins with an explanation of Boston's economic structure, documenting the city's recent shift to a services based economy; Part One concludes by forecasting a strong expansion in Boston's services activities, with a corresponding increase in new jobs. Part Two, The Role of Office Development, studies the downtown office market's role in accommodating the transformation and growth of Boston's services based economy; it continues by looking at the supply and demand of office space in Boston and other cities, paying particular attention to the significance of the city's downtown office vacancy rate. Part Three, Poverty and Unemployment in Boston, contrasts Boston's prosperity with its poverty and unemployment; it then focuses on the export to non-residents of city jobs as one source of this contrast. Finally, Part Four, Boston's Labor Force and Job Opportunities, examines the share of city jobs held by Boston residents, with particular attention paid to downtown office employment; then, in noting that Bostonians have a steadily increasing level of skills, Part Four concludes that city residents have the potential to share in the anticipated growth in downtown services related employment. The Economic Context section closes by establishing a goal of 50 percent for Boston resident employment in the 24,470 new office jobs that will be accommodated by the nine office developments recommended for approval in this report. To achieve this 50 percent goal, two Administration initiatives are promulgated--one calls for resident hiring commitments, and the other for the creation of a skills training program.

I. BOSTON'S CHANGING AND EXPANDING ECONOMY

Recent Trends. Boston has emerged as a major center of economic activity in the U.S. This transformation represents a return to leadership for Boston in the tradition of its 17th and 18th century role as the nation's leading mercantile center, and its 19th century role as the seat of the industrial revolution.

Since the mid-1970s, employment and income have grown in Boston, the metropolitan area, the state, and the New England region much faster than in the nation as a whole. Boston gained 59,000 jobs from 1976 to 1983--11,000 jobs in 1983 alone. Preliminary reports point to a gain of 14,000 in 1984. The city, metropolitan area, state, and region also have unemployment rates well below the national average. The recently reported unemployment rate in Massachusetts for September was 4.5 percent, the lowest of any industrial state and far below the national unemployment rate of 7.3 percent.

Structural Change. Boston's favorable prospects stem from a fundamental change in its economic structure. Perhaps the most marked shift in the city's resources has been toward services, one of the fastest growing sectors in the national economy. A half century ago, Boston's principal economic base had been in manufacturing and trade. As late as 1950, Boston's employment centered in trade (27 percent) and manufacturing (19 percent) with transportation and communications, finance, and business and professional services making up a third. By 1983, the roles had reversed. Fifty-six percent of Boston's jobs were in services, 15 percent in trade, and 9 percent in manufacturing. As a consequence, Boston was less vulnerable to the recessions of the early 1980s, blossoming with more rapid rates of growth than the nation.

A Services Activity Center. In 1982, 9,153 finance, services, transportation and communications business establishments in Boston employed 295,241 workers, representing 66 percent of total private sector employment. Health services, which include hospital services (a major export activity), as well as rapidly growing health maintenance organization services, dominated with 54,317 workers (12 percent of private employment). Business services followed in importance, with 1,120 establishments and 32,532 workers (7 percent of the total) concentrated in automatic data processing and advertising. Educational services were third with 30,151 workers, centered principally in 31 universities and colleges with 27,230 employees. Professional services are significant in Boston and include 16,987 workers in engineering and architecture, 8,708 workers in legal services, 4,270 in accounting, auditing, and bookkeeping, and 2,631 in noncommercial research. As of mid-1982, 13 large Boston law firms with a total of 1,391 lawyers, had experienced a combined growth of 38 percent since 1979. A decade ago there was hardly a law firm in Boston with 100 lawyers. In 1982, there were 10.

Boston's Finance Industry. In 1982, the finance establishment in Boston consisted of 2,072 businesses and 69,750 workers (17 percent of the total). This included 249 banking establishments with 18,129 workers--7,131 in the brokerage business and 2,160 in investment holding companies. Boston banks and investment banking houses have financed development in the nation and the world for more than a century and a half. Boston continues as the leader of the nation's mutual fund industry and is one of the nation's leading money management and venture capital centers. The mutual fund industry was born in Boston in 1942. A Financial Times of London survey in early 1984 found that eleven Boston firms manage \$103 billion of mutual funds.

Boston money management dates back to the earliest days of the nation, flowing from the mercantile trade of the 18th century and the industrial revolution of the 19th century. The several types of Boston money managers include mutual funds, banks, insurance companies, and trust companies. The trust companies manage mutual funds, pension funds, and individual holdings. Justice Samuel Putnam's "prudent man ruling", in 1830, early established Boston as a safe place for people to leave their money.

Hotels and Eating and Drinking Places. Other services and related activities are important to Boston's economy. Hotels and lodging places, rapidly growing, had 5,321 employees in 1982. Accompanying the increase in hotels and their clientele, the rise in two-worker families, the influx of young adults, the

growth in nonfamily households, and the expansion of downtown office employment, has been a thriving market for eating and drinking places. Boston has 1,230 such establishments and 23,156 workers (5 percent of the total), out-ranking food stores which have 8,197 employees, and the now expanding general merchandise stores, with 4,617 workers.

Communications, High Technology, and Knowledge Industries. Communications dominate "Transportation and Communications" with 12,823 workers, followed by air transportation with 8,753 workers, reflecting Boston's role as a business and tourist crossroads and as a disseminator of information and knowledge. The high technology industry of the Boston metropolitan region is one of the most rapidly growing segments of the state economy. Six high-tech firms are among the fifteen largest employers in the Boston area and are generating a large and growing demand for the city's business and professional services.

Boston's publishing industry dates back to the early 19th century. It is the city's largest manufacturing industry and continues to profit from new entrepreneurial directions and the city's intellectual and literary ambience. With its universities, Boston is the leader among all major cities in per capita purchases of books.

Boston has a strong foothold in the communications-information-knowledge industries, encompassing 37 percent of the city's employment and 28 percent of the value of production. The projected 50 percent growth of those industries by 1990 will raise their share of employment in the Boston economy to 47 percent.* For the nation as a whole, the knowledge industries account for a smaller share of employment (24 percent) and production (19 percent), which shares by 1990 are expected to grow by one-fourth and one-third, respectively.

Long-Term Projections. Looking ahead to 1990, the economic prospects are very bright for Boston, with its relative concentration in the broad range of services activities that are expanding nationally. The city's economy will also benefit from the prominent role of the high-tech industry in the metropolitan area, the state, and the New England region as a whole. Long-term projections for the U.S. economy indicate very substantial growth in those activities in which Boston now has a relative concentration. From 1983 to 1990, Boston may be expected to gain 72,000 net new jobs. Of these, central Boston would garner 44,000 (three-fifths), and firms occupying Boston's downtown office space would generate 30,000 net new jobs over the seven-year period. These would include 1,000 jobs in communications, 11,000 in finance and money management, 5,700 in business services, and 11,000 in professional services.**

* Boston Redevelopment Authority, The Communications-Information-Knowledge Industries, and the Potential for Boston, 1982.

** Boston Redevelopment Authority, Boston Employment, City of Boston, Central Boston and Downtown Office, 1976-1983 and 1983-1990-1995 Projected, October 1984 (Draft).

II. THE ROLE OF OFFICE DEVELOPMENT

The growth of central Boston and the construction of office buildings has accommodated the city's extraordinary economic transformation and expansion of employment. Of Boston's gain of 59,000 net new jobs from 1976 to 1983, 50,000 (85 percent) were concentrated in central Boston, the area of the city east of Massachusetts Avenue. And, of central Boston's job growth, the city's expanding office industry accounted for 28,000 jobs (56 percent).

Office Space Construction. In 1983, firms occupying Boston's office buildings made up 180,000 of Boston's 560,000 jobs (one-third). This included 28,000 office jobs in transportation and communications, 52,000 in finance and money management, 24,000 in business services, and 44,000 in professional services. Office employment increased by 27,748 jobs between 1976 and 1983 (including 4,600 in 1983), accommodated by both the construction of 3.3 million square feet of new office space* and the rehabilitation and conversion of 5.8 million square feet of existing office space. This latter event made Boston the preeminent preservation city in the nation.**

This rehabilitated or converted older space could also be brought to market as Class A quality much more quickly and at a lower cost than new space. An additional 1 million square feet of rehabilitated and converted space entered the market in 1984. But by this time much of the pool of older space suitable for conversion and rehabilitation had already been absorbed.

Accommodating Expanding Employment Opportunities. The ten development projects described in this report (including nine office development projects), are designed to facilitate Boston's expanding employment opportunities and strengthen Boston's role as the nation's preeminent services activity center. Some of the projected growth, from 1983 to 1990, in employment by firms occupying Boston's office space will be housed (directly or indirectly) in the 5.2 million square feet of office space scheduled to be completed between 1986 and 1989. (Part of the 1983-90 projected employment growth will be absorbed in the 3.4 million square feet of new space coming on the market in 1984 and 1985; record rates of absorption are expected because this is the first sizable block of new space to reach the Boston market since 1977.) The 25,000 permanent office jobs that the nine office development projects will accommodate will assure Boston's place as the nation's services activity center; with the largest share of its employment in services activity--communications, finance and money management, and business and professional services--Boston will be the leading services activity center in the country.

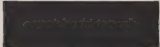
Vacancy Rates. As of mid-1984, Boston's office market had the lowest Class A office space vacancy rate of any large metropolitan area. The chart on the next page, Nine Major Metropolitan Office Markets, compares Boston's vacancy rates to several other markets. For 1984, a record level of office space absorption (rent up) is projected for Boston, following a near-record level of new supply of office space, with only a modest rise in vacancies.

* Boston Redevelopment Authority, Boston's Development; Economic, Fiscal and Neighborhood Impacts; Private Investment Projects Completed, Scheduled and Planned, June 1984.

** U.S. Real Estate Investment Report, The Rehabilitation of Office Buildings, Arlington, Virginia, March 10, 1982 (Mary Petersen, Editor, Harrison Wehner, Publisher).

NINE MAJOR METROPOLITAN OFFICE MARKETS

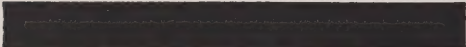
Mid 1984 Vacancy Rates %

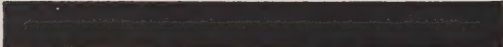
 **3.9%**
BOSTON

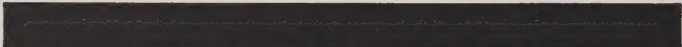
 **6.8%**
NEW YORK

 **7.1%**
SAN FRANCISCO

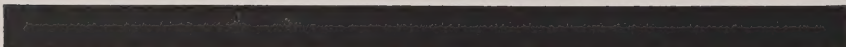
 **10.3%**
CHICAGO

 **14.3%**
ATLANTA

 **15 %**
LOS ANGELES

 **20.8%**
NEW ORLEANS

 **23.3%**
DENVER

 **26.3%**
HOUSTON

SOURCE: BRA Research

The graphs on the following two pages contrast the schedule originally proposed for development of the nine recommended projects, to the schedule currently recommended. The proposed schedule of Boston office builders risked high vacancy rates comparable to those of 1977, in some near-term years, potentially destabilizing the office market and the city economy. The schedule recommended for approval, on the other hand, allows for a stable office market as well as the growth in the supply of office space required to accommodate Boston's expanding economy. The result will be the orderly addition of a home stock of office space by year end 1989 that might have been squeezed onto the market two years earlier.

The completion of new office construction in 1975, 1976, and 1977 added 7.5 million square feet of new space and represented 48 percent of the total stock of Class A space by the end of 1977. The addition of so much new space in such a short period of time raised the office vacancy rate from 7.6 percent, in 1975, to 14.3 percent, in 1977. No new space was added to the market in 1978, 1979, and 1980 as a result.

In contrast, today's Boston office market is closer to equilibrium. The scheduled completion of 3.4 million square feet of new space in 1984 and 1985 will add 20 percent to the stock of Class A office space. That will be matched by a record level of space absorption, projected at 3.2 million square feet, in this two-year period as a consequence of strong demand and of the pre-1984 lag in supply. As of October 1984, 42 percent of new office space under construction in Boston was pre-leased.* The Class A office space vacancy rate, after rising from 3.7 percent in 1983 to a projected 7.5 percent at the end of 1984, is expected to subside in 1985 with the scheduled completion of only 600,000 square feet of new space, well below the projected absorption rate of 1,250,000 million square feet.

The Downtown Office Market in Nine Major Cities. The nation's recent office building boom began in 1977 and peaked in 1983 with national vacancy rates reaching 12 percent in the latter year. Analysts project this rate to rise to 17 percent in 1984 and remain above the 10 percent level for at least four years.**

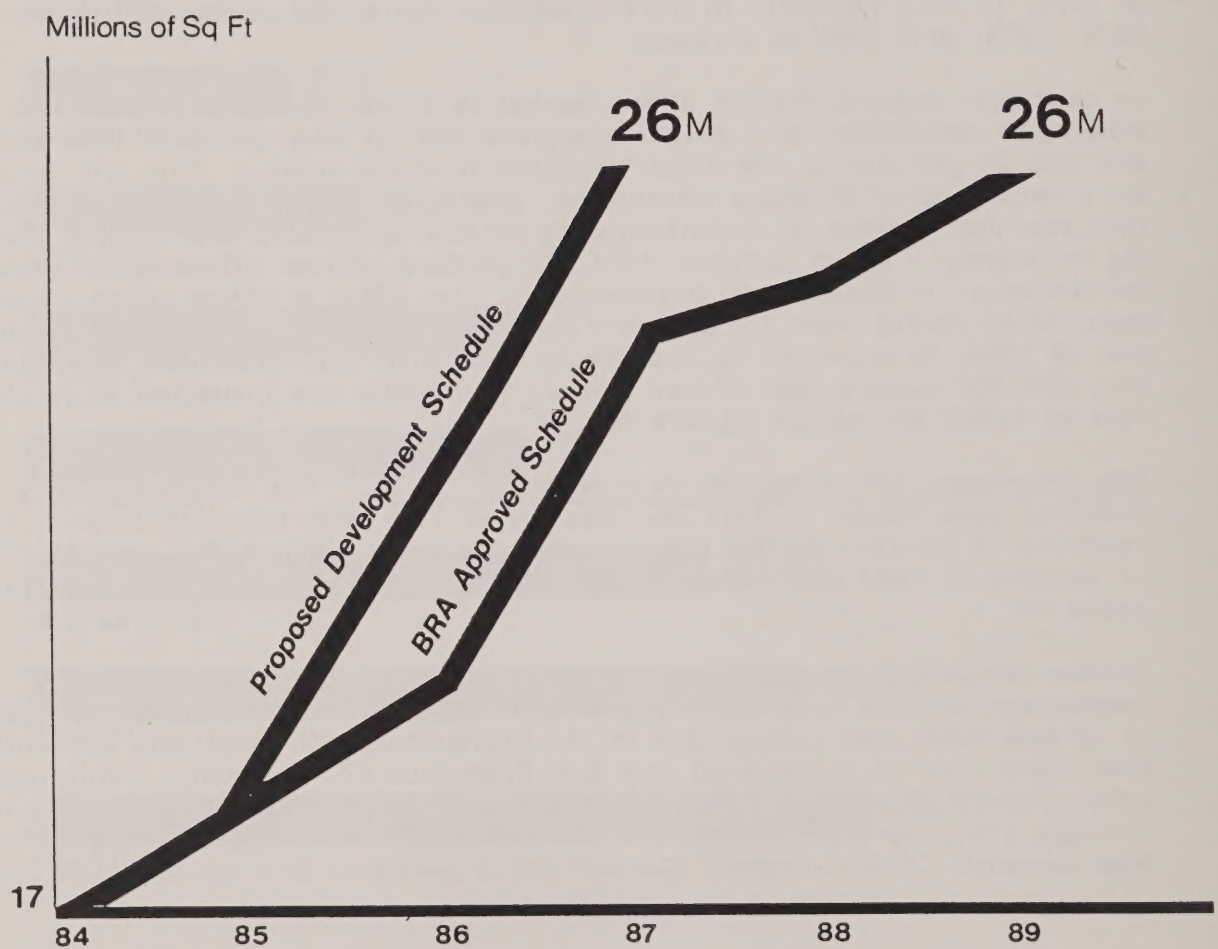
Boston remains an oasis in the weakening national office market. In a comparison of nine large cities, Boston's healthy vacancy rate of 3.9 percent, as of mid-1984, was comparable to the higher but still relatively low rates for New York City (6.8 percent) and San Francisco (7.1 percent), while the six other cities had vacancy rates ranging from 10 to 26 percent.* These included Chicago (10.3 percent), Atlanta (14.3 percent), Los Angeles (15.0 percent), New Orleans (20.8 percent), Denver (23.3 percent) and Houston (26.3 percent).

* Spaulding & Slye, The Boston Area Report, October 1984.

** Torto, Wheaton & Associates, Prognosis to 1989, for the National Office Market, Boston, January 1984.

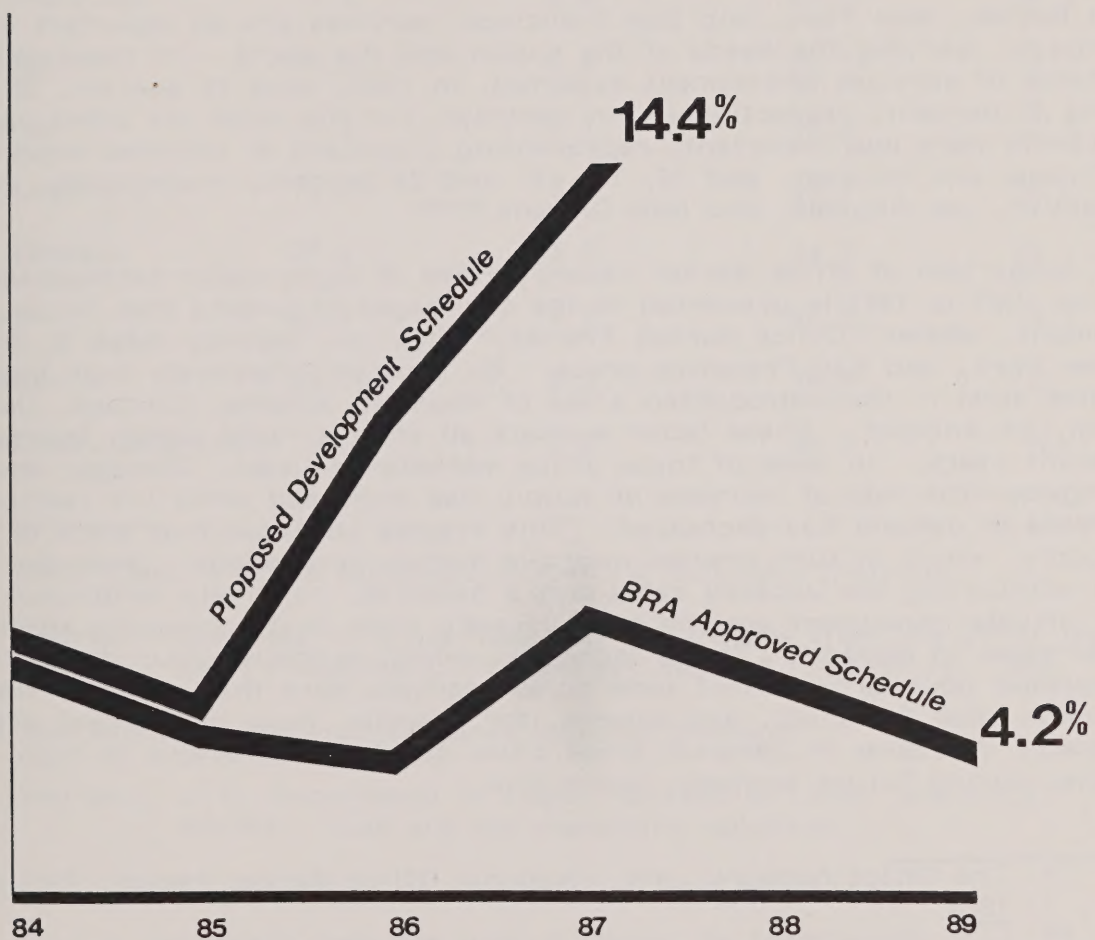
BOSTON'S OFFICE MARKET 1984 -1989

Class A Office Space



BOSTON'S OFFICE MARKET 1984-1989

VACANCY RATE (Percent)



Three of these cities (Chicago, Los Angeles, and New Orleans) were also the centers of metropolitan areas with unemployment rates in the 8 and 9 percent range, in contrast to a 4 percent rate for the Boston metropolitan area.** Boston's preeminent role in services activities (together with San Francisco and New York) may be a factor in the current strength of the office market. In 1980, Boston, San Francisco, and New York ranked first, second, and third, with 54 percent, 51 percent, and 49 percent, respectively, in a nine city comparison of total employment concentrated in the broad range of office-related services activities--communications, finance and money management, business and professional services.*** In contrast, the cities with higher vacancy rates had lower service employment shares--New Orleans (45 percent), Denver (42 percent), Atlanta (40 percent), Los Angeles (36 percent), Chicago (35 percent), and Houston (34 percent). The chart on the next page summarizes these comparisons.

In Boston, New York, and San Francisco, services are an important export activity, serving the needs of the nation and the world. In these cities, the shares of services employment exported, in 1980, were 41 percent, 28 percent, and 26 percent, respectively. In contrast, for the other six cities, services exports were less important, representing 3 percent of services employment in Chicago and Houston, and 13, 15, 16, and 24 percent, respectively, in Atlanta, Denver, Los Angeles, and New Orleans.****

A comparison of office market vacancy rates in eight major metropolitan areas from 1969 to 1983 is presented in the two pages of graphs that follow. These graphs, labeled "Office Market Trends," show low vacancy rates in the Boston, New York, and San Francisco areas. By contrast, relatively high vacancy rates exist in the metropolitan areas of Houston, Atlanta, Chicago, Denver, and Los Angeles. These latter markets all show a rapid supply increase in recent years. In some of these office markets--Houston, Chicago, and Los Angeles--the rate of increase in supply has increased while the rate of increase in demand has decreased. This creates an expanding stock of vacant supply, which in turn creates negative market perceptions. Also detrimental to maintaining low vacancy rates and a balanced, relatively continuous supply of private investment are the high vacancy rates that accompany absolute decreases in demand. These decreases, which normally occur during national economic downturns, affect some cities' markets more than others. New York, Boston, San Francisco, and Atlanta, for example, have in the past experienced notable decreases in demand; these cities could be vulnerable to high vacancy rates during future economic downturns.

* The Office Network, Inc., National Office Market Report, Fall/Winter 1984.

** U.S. Department of Labor, Bureau of Labor Statistics.

*** U.S. Department of Commerce, Bureau of Economic Analysis.

**** U.S. Department of Commerce, Bureau of Economic Analysis.

THE DOWNTOWN OFFICE MARKET
IN NINE MAJOR CITIES

	Vacancy ¹ Rate Mid-1984 (Percent)	Unemployment ² Rate Mid-1984 (Percent)	Service ³ Industry (Percent of Total)	Services ⁴ Exported (Percent of Total)
BOSTON	3.9	4.0	53.9	40.7
New York	6.8	9.0	49.5	28.2
San Francisco	7.1	5.9	51.5	26.4
Chicago	10.3	8.4	35.3	3.3
Atlanta	14.3	5.1	40.3	13.3
Los Angeles	15.0	8.4	36.2	15.6
New Orleans	20.8	8.5	44.7	24.1
Denver	23.3	4.2	42.3	15.3
Houston	26.3	6.3	34.3	2.7
NATIONAL AVERAGE	10.3	7.3	31.0	NA

-
1. Only Class A office buildings in Central Business Districts.

Source: Compiled by BRA Research Department from the Office Newtwork, Inc., "National Office Market Report", Fall/Winter 1984.

2. San Francisco metropolitan area includes Oakland.

Source: U.S. Department of Labor, Bureau of Labor Statistics.
Monthly rates are not seasonally adjusted.

3. Employment in services as a percent of total employment.

Private services include three categories: Transportation, communications and public utilities; Finance, insurance, and real estate; and Business, personal, and professional services.

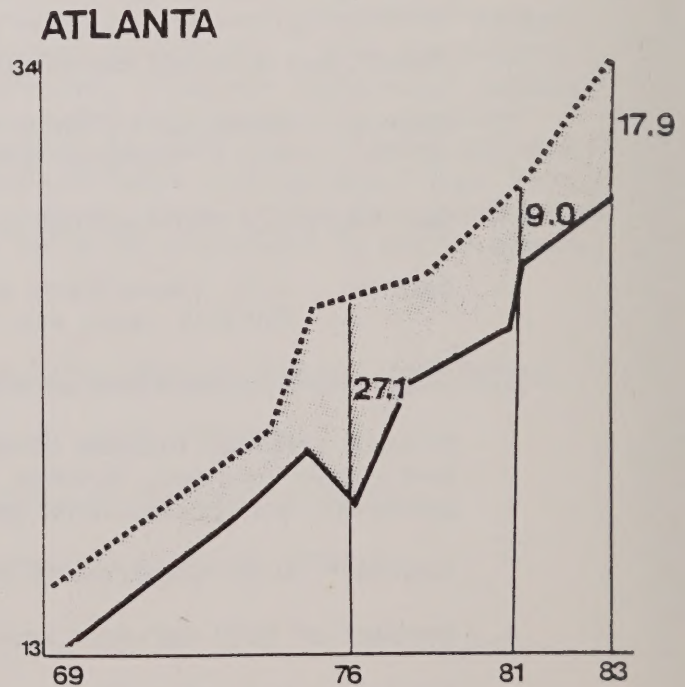
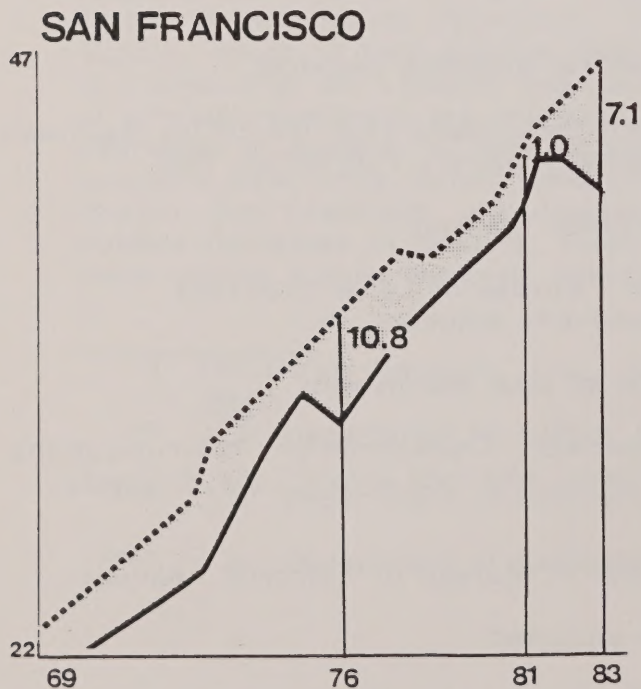
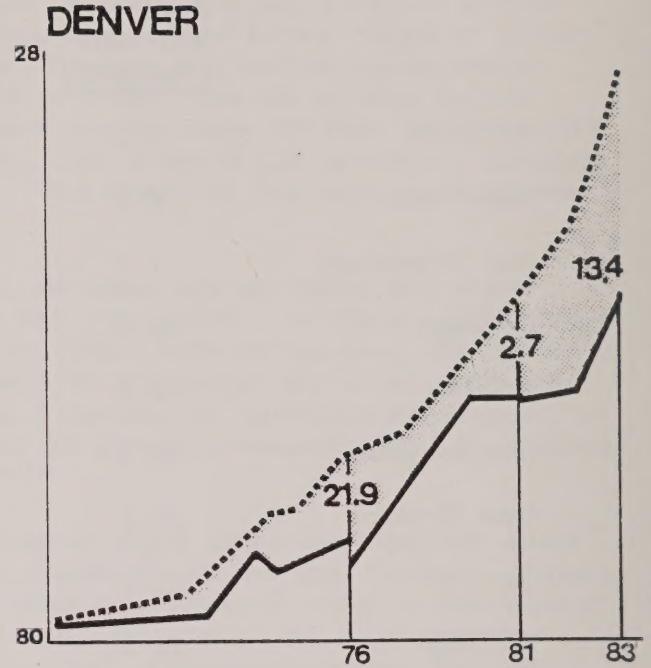
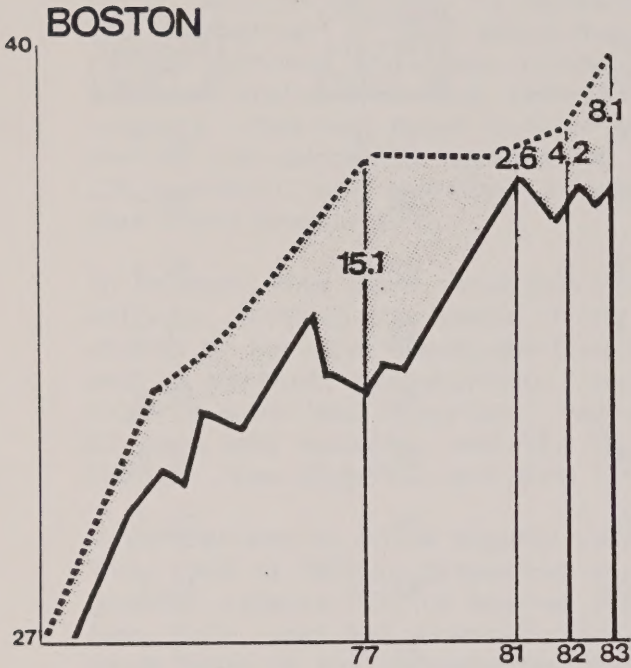
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

4. Percent of total services which are exported.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.
Location Quotient Analysis.

OFFICE MARKET TRENDS

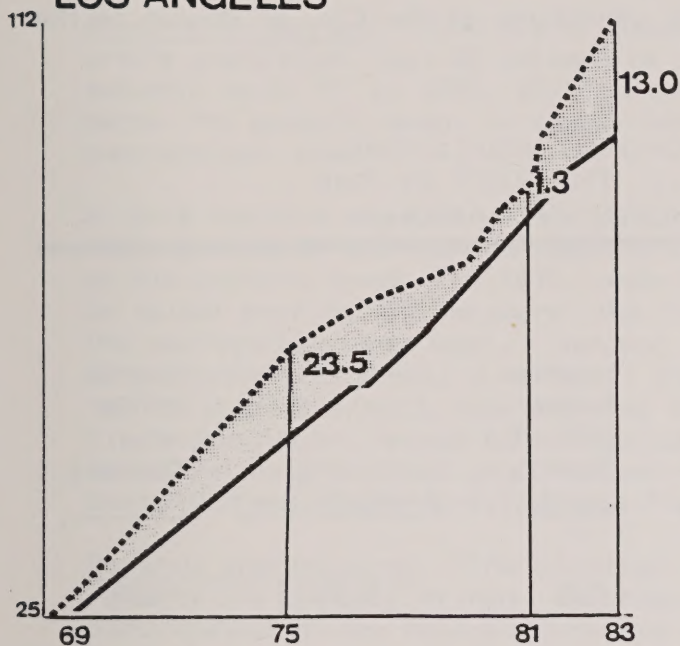
TOTAL OFFICE SPACE
 OCCUPIED OFFICE SPACE ———
 VACANT OFFICE SPACE %
 MILLIONS Sq. Ft.



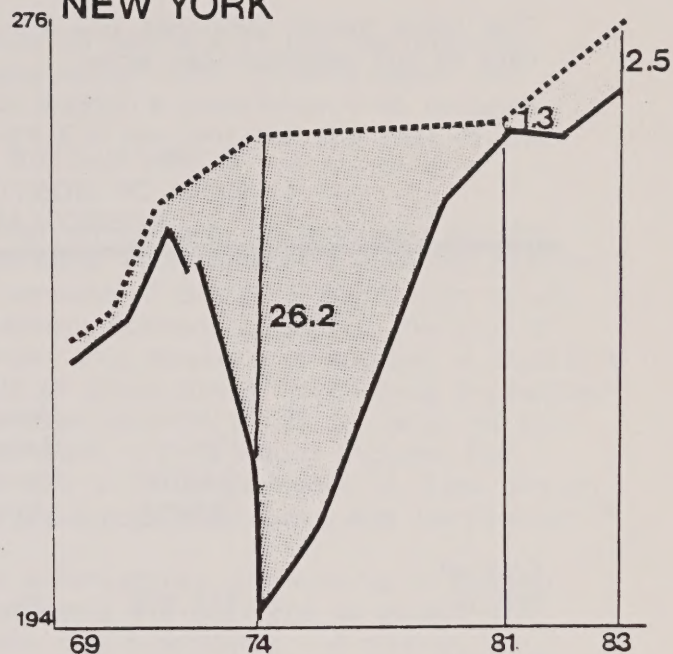
OFFICE MARKET TRENDS

TOTAL OFFICE SPACE
 OCCUPIED OFFICE SPACE ———
 VACANT OFFICE SPACE ▨ %
 MILLIONS Sq. Ft.

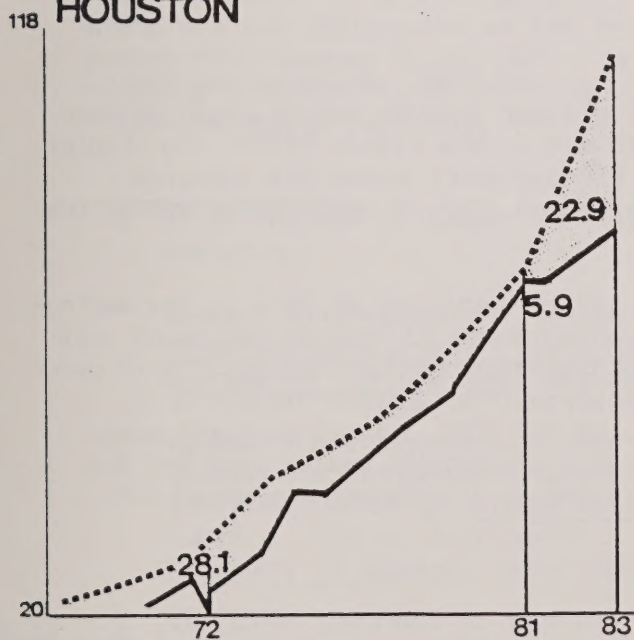
LOS ANGELES



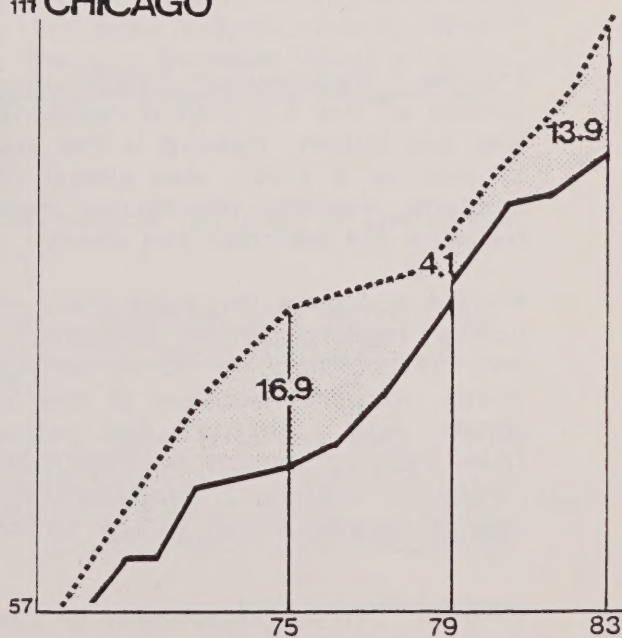
NEW YORK



HOUSTON



CHICAGO



III. POVERTY AND UNEMPLOYMENT IN BOSTON

In the midst of the burgeoning wealth and well-being of the metropolitan area, poverty and unemployment persist in Boston. A primary reason for this condition is that Boston residents hold a disproportionately small share of the jobs in Boston, and therefore much of the city's prosperity is exported to outlying areas.

The table below compares the economic conditions of the City of Boston to the rest of the metropolitan area.

COMPARATIVE ECONOMIC INDICATORS:
CITY OF BOSTON vs. THE REST OF THE
BOSTON METROPOLITAN AREA

	<u>Per Capita Income</u>	<u>Incomes Below Poverty Level</u>	<u>Incomes Below 200% of Poverty Level</u>	<u>Unemployment</u>	<u>Boston Office Jobs Capture Rate</u>
City of Boston	\$11,072	20.2%	44%	5.8%	25%
Boston Metropolitan Area, excluding the City of Boston	\$13,519	6.8%	21%	3.8%	75%

Income: Metropolitan Region vs. Inner-City. In 1982, the total personal income of the 3.7 million residents of the greater Boston metropolitan region was \$48 billion, making it the sixth wealthiest in the nation.***** Per capita income, at \$13,087, was almost one-fifth (18 percent) above the national average, ranking the Boston metropolitan region 25th in well-being among the nation's 314 metropolitan areas.

Boston accounts for more than one-third (37 percent) of all jobs in the metropolitan region, but in 1982 the total personal income of Boston residents was only \$7.2 billion, or 15 percent of that of the metropolitan region. This came about, in part, because of the limited employment of Boston residents in Boston jobs. Boston's per capita income, at \$11,072, was 18 percent less than the rest of the metropolitan region, and marginally below that for the nation as a whole. Boston's per capita income is the fourth lowest of the twenty largest cities in the nation.

***** U.S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business, April 1984, article entitled "County and Metropolitan Area Personal Income, 1980-82"

Unemployment: Metro vs. City. The Boston metropolitan area is thriving. In large part, this is a consequence of the transformation and growth of the city of Boston's economy. The current unemployment rate for the Boston metropolitan area is 4.3 percent, 41 percent below that of the nation as a whole (7.3 percent).* The city of Boston's current unemployment rate (reflecting the condition of its resident labor force), is 5.8 percent, or roughly one-third higher than that of the metropolitan area.

Poverty in Boston. The city of Boston has 20 percent of the metropolitan area's population, but 42 percent of its population with incomes below the poverty level.** In 1980, 20.2 percent of Boston's population had incomes below the poverty level, in comparison with 6.8 percent for the rest of the metropolitan area.

A more incisive measure of the concentration of poverty is provided by the U.S. Bureau of the Census measure of persons with incomes below 200 percent of the poverty level. In 1980, when 44 percent of Boston's population could be called poor by the measure, the comparable concentration for the rest of the metropolitan area was 21 percent. When this measure is applied to Boston's 62 neighborhood areas, it is found that 23 of these areas (excluding 4 predominantly student areas), representing more than one-third (35 percent) of the City's population, would be categorized as poor. This would include the downtown neighborhood of Chinatown, as well as neighborhoods in East Boston, South Boston, South End, Jamaica Plain, Roxbury, Mattapan, and Dorchester.**

Poverty and Housing. The condition and affordability of housing in Boston reflects the poverty in many neighborhoods and the barriers to access and participation in the rising well-being of the city's economy. A survey of Boston's housing revealed that about one-fourth of the city's housing is in need of repair. There are approximately 13,000 abandoned dwellings. Boston has the highest percentage of publicly-assisted housing, in relation to its housing stock, of any large city. A reported 13 percent of Boston's housing units are tax delinquent or tax foreclosed. In some neighborhoods, this proportion reaches 50 percent. Moreover, the gap between housing costs and housing affordability is widening, as rising housing costs outdistance the income levels of residents.***

* U.S. Bureau of Labor Statistics, Massachusetts Division of Employment Security.

** Boston Redevelopment Authority, Boston Population and Housing By Neighborhood Areas, 1980; Demographic Information from the U.S. Bureau of the Census, September, 1983.

*** Boston Redevelopment Authority, Boston's Housing in the 1980's, 1980. Boston Redevelopment Authority, Housing Policy Considerations, 1975. Emily Achtenberg, Preserving Affordable Housing in Boston, August 1984. Carol J. Finney and Jerry J. Salama, Tax Delinquent and Abandoned Property in Boston, June 1983.

IV. BOSTON'S LABOR FORCE AND JOB OPPORTUNITIES

The lag in Boston resident participation in the Boston job market is the principal factor behind the extraordinary concentration of poverty in Boston. A study prepared by the Boston Redevelopment Authority and published earlier this year found that Boston resident workers held only 40 percent of Boston's jobs in 1980.* This represented a decrease in share over the last two decades. Boston residents not only held only two-fifths of the jobs in the city, but the jobs they did have were at less-skilled occupations and at lower income levels.**

Boston resident workers' share of employment in Boston's offices is even less than their 40 percent share of all jobs in Boston. A survey of firms occupying Boston office space, conducted in 1977 and 1978, found that only one out of four workers in Boston's office structures lived in Boston.*** This finding represented a decline in the resident worker share of 31 percent from 1974. The later report also found that Boston resident workers tended to be concentrated in the lower-skilled, lower wage jobs.

Boston's Office Industry. The 1977-78 survey found that the occupational composition of Boston's office jobs was made up of professionals (38 percent), managers (10 percent), clerical workers (42 percent), and sales and other workers (11 percent). Finance activities had a proportionately larger number of clerical workers, while business and professional services firms had a greater concentration of professional workers.

More current and relevant information on "job profile projections" has been prepared by one of the nine recommended-for-approval office construction projects. This project represents more than a fourth of the 24,000 total jobs that will be created by the nine projects by 1990. This profile, presented in the next section, projects a need for 3,944 professionals (lawyers, accountants, investment and finance specialists-- 55 percent), 368 technicians and managers (5 percent), 2,804 secretarial and support workers (39 percent), and 74 building maintenance workers (1 percent).

* Jeffrey P. Brown, Boston Redevelopment Authority, Who Works in Boston: Commuting Patterns in the Boston Metropolitan Area, 1980, April 1984.

** Boston Redevelopment Authority, Boston's New High Rise Office Buildings: A Study of the Employees and Their Housing Preferences, July 1974.

*** Boston Redevelopment Authority, The Office Industry Survey, Analysis of Office Tenant Responses, 1979.

Improvement in Occupational Skills. The occupational skills of Boston's workers and their educational attainment levels have been advancing, suggesting a greater potential for participation in Boston's office jobs than has been the case. The share of Boston resident workers with professional, technical, and managerial skills increased from 17 percent in 1960 to 30 percent in 1980.* The share with clerical and sales skills rose from 27 percent in 1960 to 30 percent in 1980. Conversely, those with blue collar skills are a diminishing proportion, declining from 33 percent in 1960 to 22 percent in 1980. Similarly, the proportion of Boston high school graduates going on to higher education has expanded from 25 percent in 1960 to 36 percent in 1970, 44 percent in 1977, and 54 percent in 1982.**

V. CONCLUSION

The nine office development projects recommended for approval in this document will accommodate 24,000 plus new permanent office jobs. Such an influx of new jobs to the downtown area may be an enormous gain to the people of the city, particularly if they can capture a larger share of those jobs than they have in the past. Accordingly, developers will be required to make a "best good-faith" effort to hire Boston residents. The city plans further to start a new program for training Boston residents in office skills. The aim of these two initiatives is to secure 50 percent, or more than 12,000, of the new jobs for the people of Boston. It is hoped that Boston residents will capture a proportionate share of both the new professional, managerial, and technical jobs.

* U.S. Bureau of the Census, Census of Population and Housing, 1960, 1970, 1980.

** Boston School Department.

Project Descriptions



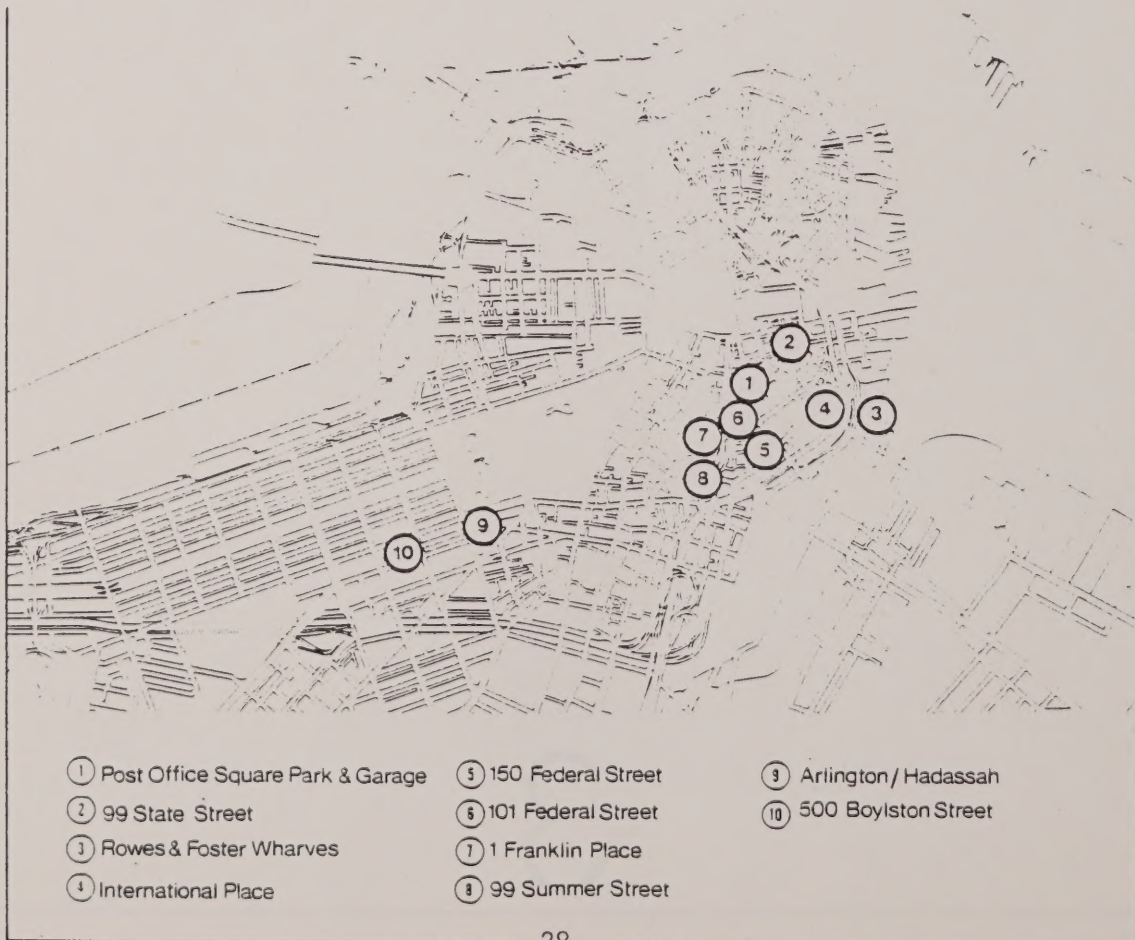
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PROJECT DESCRIPTIONS

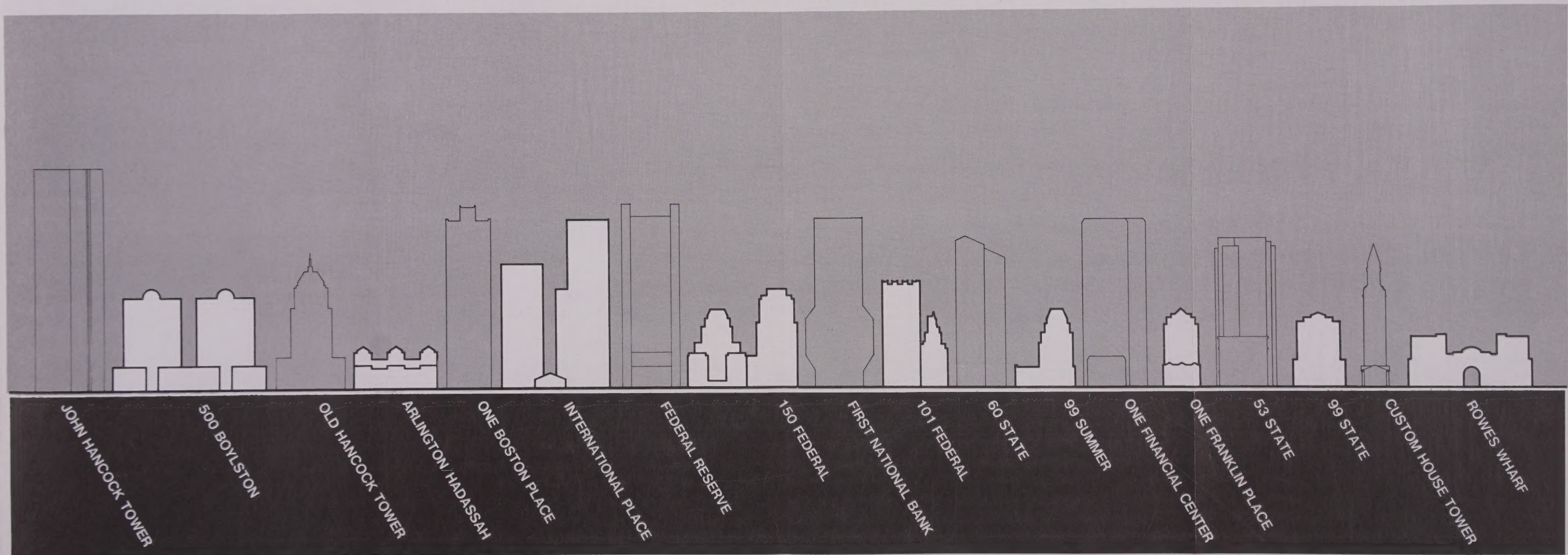
The ten development projects described in this chapter represent over six-and-one-half million square feet of new development, including more than five million square feet of new office space. These projects are products of the City's development policies and current market forces. The office space provided by these ten projects will be completed between 1985 and 1989. This chapter presents a rendering, description, location map, and summary sheet for each of the ten projects. All information concerning building size, taxes, Development Impact Payments, and jobs is estimated only. Revisions may occur as the result of outstanding public reviews and approvals.

Downtown and Back Bay are approximately two-and-one-half square miles, or about two percent of the city's area. While this area is small in comparison to other major office markets, Boston is presently one of the strongest office development markets in the nation. The City's policy is to reinforce this strength by supporting commercial development in this zone. The City recognizes the need to undertake careful environmental reviews and to mitigate adverse environmental effects, and to maintain opportunities for future growth.

These projects are designed to be both economically feasible and responsive to City policies calling for new buildings that fit with the surrounding area and respect the architectural and historic context of Boston. Seven of the ten projects have been designed by Boston architects. With the exception of one project, all the buildings presented are less than 400 feet tall and thirty stories high. In contrast, 16 buildings built over the last 16 years were more than 400 feet tall. The average height of the buildings recommended today is 310 feet, or about 24 stories.



Downtown Projects



POST OFFICE SQUARE PARK & GARAGE



POST OFFICE SQUARE PARK & GARAGE

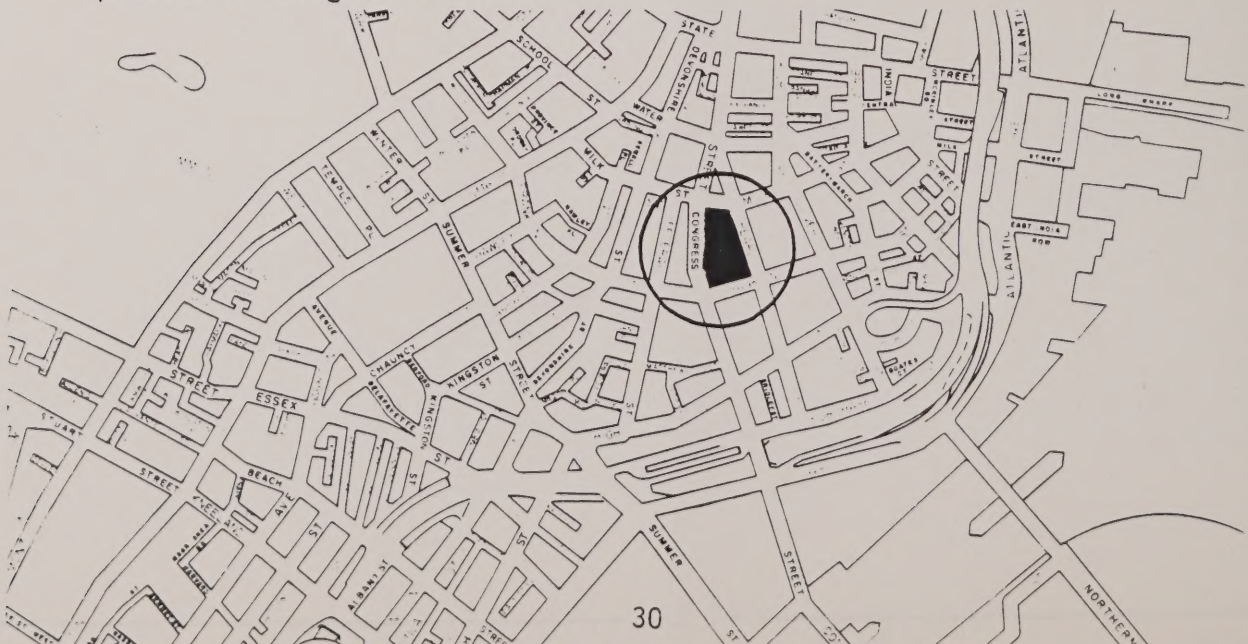
The physical and aesthetic environment of the Financial District will be substantially improved by the proposed Post Office Square Garage Park. Except for the modestly scaled Angell Memorial Plaza, this densely populated section of the city presently has no improved public open space. The civic pride of neighboring businesses led to the formation of Friends of Post Office Square and the proposal to build a needed park.

The approved schematic design for this 1.56 acre park proposes an amplification and extension of the high quality palette of landscape materials used at the Angell Memorial Plaza. Leafy green canopy trees, lush green shrubbery, and colorful seasonal flowers will add visual pleasure for thousands of office tenants, citizens, and visitors who pass by the site daily. Rich brick paving, granite sitting walls and trash receptacles, channel steel benches, a fountain, and art work will all be components of the new park.

In addition, the new park will be sufficiently spacious to allow for architectural features such as a clock tower for visual recognition, a restaurant for day and evening enjoyment and space animation, and large and small gathering places for both programmed performances and casual meetings. An alternative proposal for this site included a 52-story office tower, a smaller park, and an underground garage. Such a substantial structure on this site, however, would have shaded Angell Memorial Plaza to the north and left virtually no unshaded open space in the Financial District.

The improved access and egress to the enlarged garage facility will eliminate the current serious traffic tie-ups on neighboring streets. The garage will provide safer, more attractive, and more efficient parking. In all, the schematic design presented by the Friends of Post Office Square, Inc., for a 1.56 acre park above a new underground garage provides:

- o substantial new green space in a confined, high-density urban area;
- o vital pedestrian connections;
- o safer visual and physical access to the garage and vicinity;
- o visual pleasure from above and in all directions on the ground plane;
- o enhanced street level activity for pedestrians;
- o better automotive access to the garage to alleviate traffic tie-ups and pedestrian congestion.





POST OFFICE SQUARE

POST OFFICE SQUARE PARK AND GARAGE

o Development Team

Developer: Friends of Post Office Square
Architect: Skidmore, Owings, and Merrill
Land owner: City of Boston

o Parcel Description

Location: Post Office Square, bounded by Congress, Pearl, Milk,
and Franklin Streets
Size: 67,899 square feet

o Project Description

Parking: 1,400 public spaces located below-grade
Park: 1.56 acre park at grade

o Financing

Acquisition
price: To be determined
Total
development
cost: \$45 million

o Schedule

Construction
start: Spring 1985
Occupancy: Summer 1987

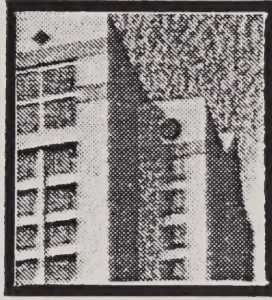
o Benefits

Revenue: The garage may eventually produce up to 10 million dollars per
year for the City.

Employment

- o 25 permanent jobs
- o 700 construction jobs (person-years)

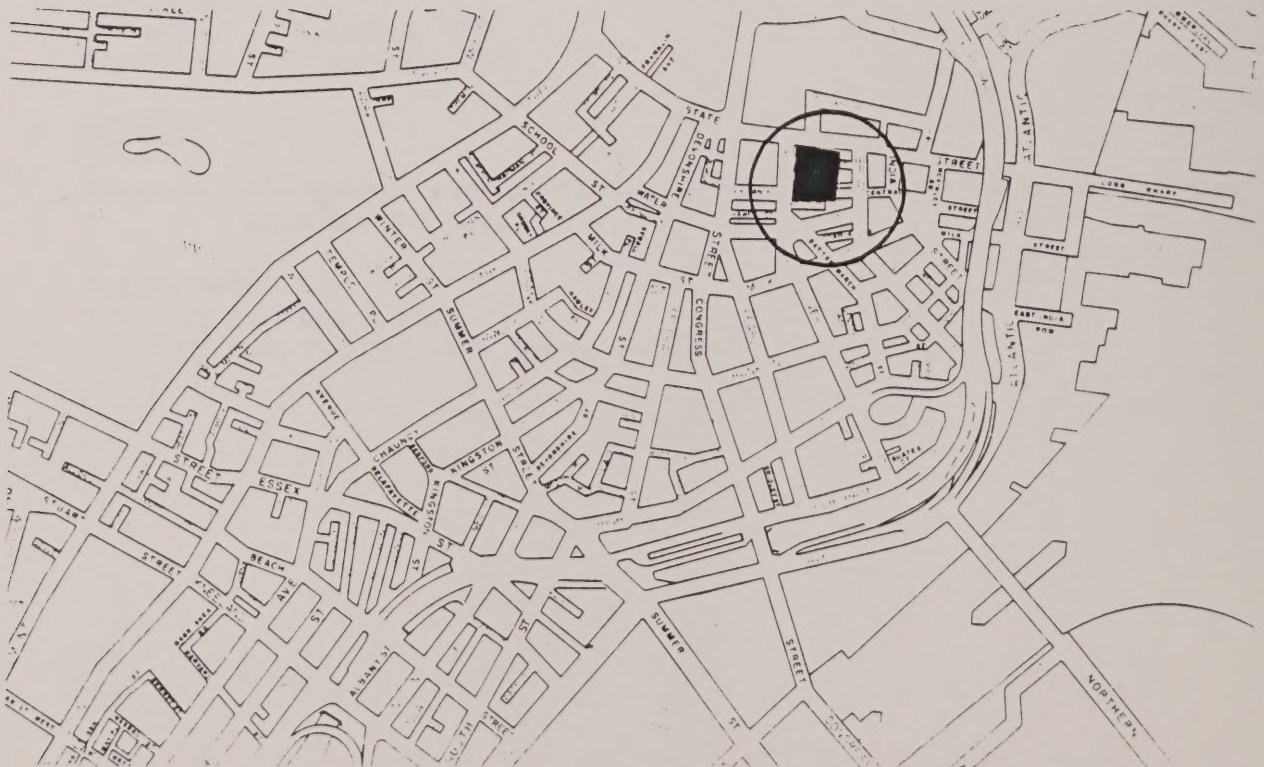
99 STATE STREET



99 STATE STREET

Five proposals were originally received and evaluated by the Boston Redevelopment Authority to redevelop the Kilby Street Garage; three of these proposals called for a 500 foot high tower. Revised guidelines were developed and sent to each respondent. A new height limit of 265 feet was imposed. Following an extensive reevaluation, the two-stage competition was won by 99 State Street Joint Venture. The architect for the project is Graham Gund. An assistance team from the Boston Society of Architects that also reviewed the proposal described it as "a lively scheme," and "clearly preferable to the others."

The proposed project has a major five-story State Street arcade that extends the pedestrian improvements of Quincy Market down Merchants Row and across State Street into the lobby of the new structure. Replacing the blue metal panel building at 89 State Street, the new building will be set back from State Street to reveal a vista of the Custom House Tower from the intersection of State and Congress Streets that has been blocked for decades. The ambitious plan calls for a new building that uses several different tones of granite to create variety, scale, and quality details needed to complement buildings like the Old Stock Exchange. The tower's plan and silhouette will create an identifiable shape in the skyline compatible with both the city's primary landmark, the Custom House Tower, and the articulated masonry buildings of Liberty Square and Broad Street. Pedestrian access to the waterfront is also improved by a through block arcade that extends Exchange Place to Broad Street. All the arcades are to be lively, naturally-lighted spaces recalling the grand arcades of Europe: these will be unique in Boston.





99 STATE STREET

99 STATE STREET

o Development Team

Developer: Graham Gund and Harold Brown
Architect: Graham Gund Associates
Land owners: City of Boston and Developer

o Parcel Description

Location: 99 State Street, bounded by Kilby and State Streets
Size: 44,513 square feet

o Project Description

Height: 22 stories (42 stories originally proposed)
255 feet to cornice
265 feet to parapet (500 feet originally proposed)
Gross square
footage: 600,000 (1.05 million originally proposed)
Floor area
ratio: 12.25
Exterior
material: granite
Parking: 450 below-grade public spaces
Uses: Office: 510,000 square feet
Retail: 50,000 square feet

o Financing

Acquisition
price: \$8 million (garage)
Total
development
cost: \$90 million

o Schedule (Estimated)

Construction
start: Spring 1986
Occupancy: Summer 1988

o Benefits

Annual taxes
o existing: \$169,607
o project completion: \$2.33 million
o increase in taxes: \$2.21 million
Development Impact Payment: \$2.30 million
Employment
o 2160 permanent jobs
o 859 construction jobs (person-years)

ROWES AND FOSTERS WHARVES



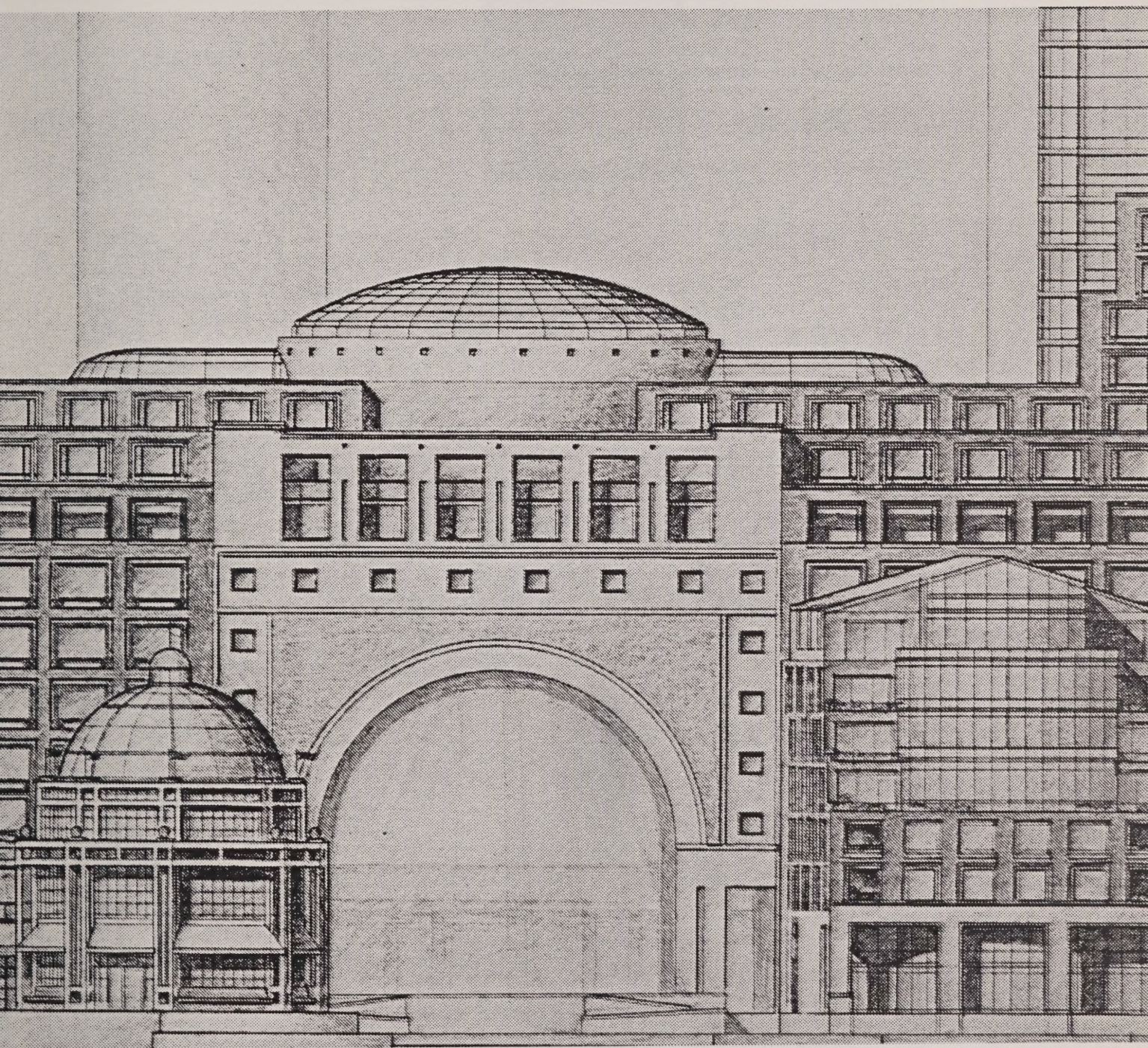
ROWES AND FOSTERS WHARVES

Harborpark, the City's initiative to reclaim the waterfront for public use and sponsor high quality development, is exemplified by Rows and Fosters Wharves. Selection and designation of the Beacon Companies to develop Rows and Fosters Wharves followed a vigorous two-stage design review by the Boston Redevelopment Authority. The guidelines for this project, written by the BRA with the assistance of the Urban Design Committee of the Boston Society of Architects, prescribed many constraints and public benefits. The Rows and Fosters Wharves project provides a mixed-used development that includes housing, below-grade service and parking, masonry building materials including red brick and granite, a contextual architectural style in harmony with the richly articulated neighboring historic waterfront buildings, and a 182 foot height limit. The architects for Rows and Fosters Wharves, Skidmore, Owings and Merrill, Chicago, also designed 60 State Street, a ribbed Napoleon Red granite building presenting eleven beveled edges to the city and adding chiseled angles to the skyline.

The public open space benefits include: (1) complete access to the water's edge and connections to 400 Atlantic Avenue and Harbor Towers; (2) 65 percent of the site built as public open space with landscape materials and other amenities; (3) two 30 foot wide landscaped and furnished public easements from Atlantic Avenue to the water's edge; (4) off-site pedestrian improvements to enhance connections to the Downtown Financial District; (5) a colonnaded public walk through the development with ground floor retail and harbor views; and (6) a domed entrance courtyard, 80 feet by 80 feet and six stories high.

Marine-related public benefits at Rows and Fosters Wharves include a commuter ferry, an excursion boat, and a water taxi terminal and docking space. Through State and City review, commercial docking space has been increased from 265 linear feet to at least 650 linear feet. Half of the marina slips are for transient use, and a public dinghy dock is also provided. Other public benefits include below grade service and parking and an eighth floor public observation deck and restaurant, which allows public access to the harbor views available from this location.





ROWES/FOSTERS WHARVES

ROWES AND FOSTERS WHARVES

o Development Team

Developer: The Beacon Companies
Architect: Skidmore, Owings and Merrill; Boston and Chicago
Land owner: Boston Redevelopment Authority

o Parcel Description

Location: Atlantic Avenue
Size: 165,000 square feet

o Project Description

Height: 16 stories approved (19 stories originally proposed)
182 feet approved (210 feet originally proposed)
Gross square
footage: 665,000
Floor Area
Ratio: 4
Exterior
material: red brick, masonry, and granite
Parking: 575 below-grade spaces (225 public spaces)
Uses: Office: 340,000 square feet
Condominiums: 148,000 square feet
Hotel and restaurant: 162,000 square feet
Retail: 13,000 square feet
Ferry terminal: 8,000 square feet

o Financing

Total
development
cost: \$150 million

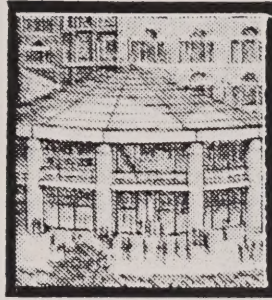
o Schedule

Construction
start: Fall 1984
Occupancy: Summer 1987

o Benefits

Annual taxes
o existing: 0
o upon completion: \$3.62 million
o increase in taxes: \$3.62 million
Development Impact Payment \$2.08 million
Employment
o 1590 permanent jobs
o 1118 construction jobs (person-years)

INTERNATIONAL PLACE



INTERNATIONAL PLACE

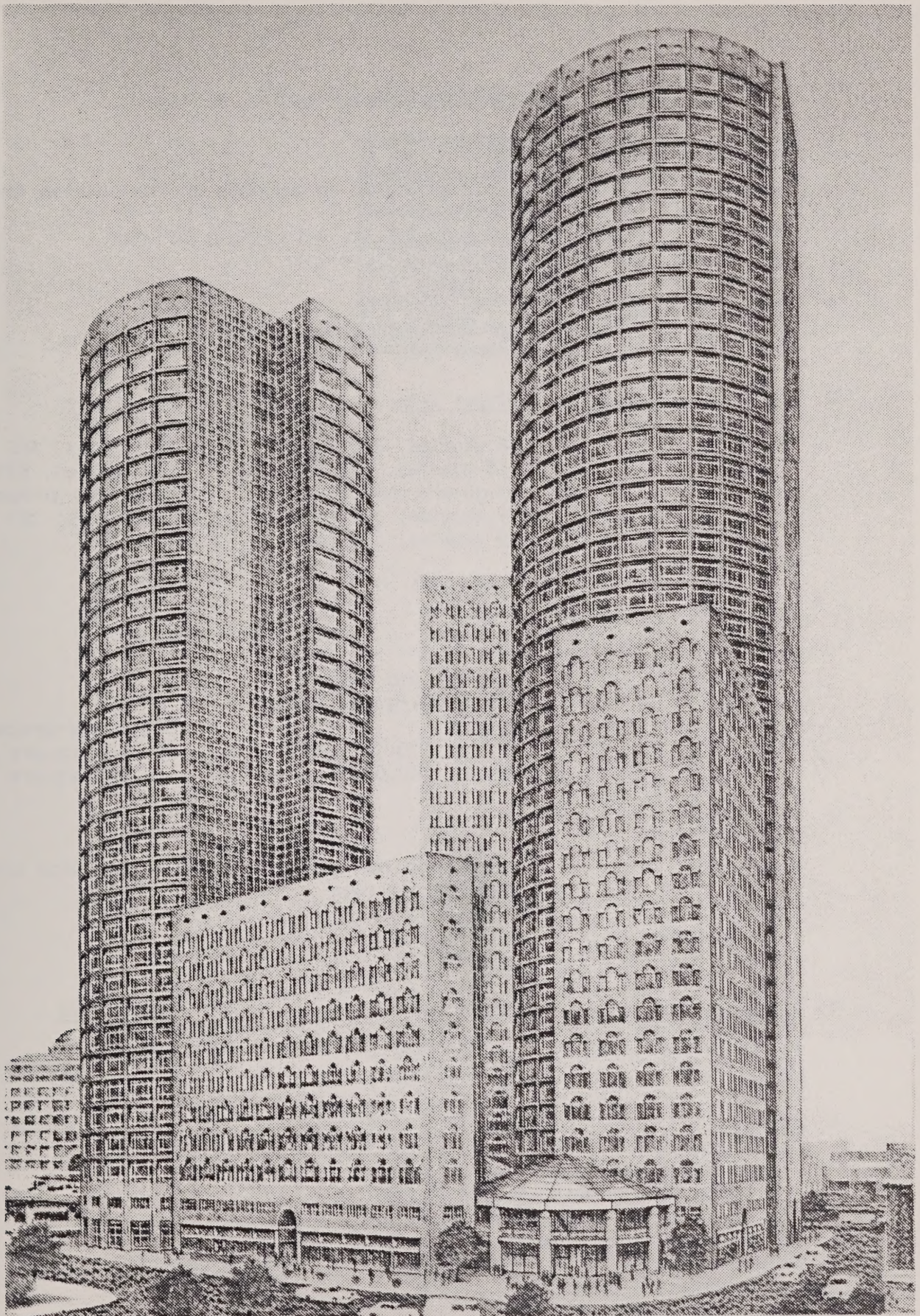
The redevelopment of Fort Hill Square garage will be a planned two-phase project known as International Place. The project will combine the garage, adjoining parcels, a public right-of-way, and the relocation of the Central Artery's High Street Ramp to create a grand scale project that enhances the pedestrian connection from the Financial District and the Waterfront. In the course of design review, the massing and height were scaled down and carefully balanced to decrease the shading of open space in the Custom House district and to reduce apparent bulk.

International Place is designed as a cluster of five elements around a central, glass-roofed public "Crystal Court." Each element is sheathed in granite, but with a different facade expression to create the appearance of a group of buildings rather than a single monolithic structure. The tallest component is a 46 story, 600 foot high cylindrical tower; a 35 story cylinder is the next tallest structure. Along High Street an 11 story component scales down toward the Custom House Historic District, and along Oliver Street a 19 story component relates to predominantly mid-rise buildings in the vicinity.

The 25,000 square foot public "Crystal Court," containing a fountain, bamboo planting, seating, and ringed by active retail uses and a restaurant, will provide a welcome respite from the climate and commotion of the city. Active retail uses will also front all surrounding public streets, with parking and service provided underground.

This will be the second Philip Johnson building in Boston, the first being the 1971 addition to the Boston Public Library. Notable works of the firm of John Burgee, Architects and Philip Johnson include the IDS Center (1974) in Minneapolis, AT&T Tower (1983) in New York, PPG Tower (1984) in Pittsburgh, Transco Tower (1984) and the Pennzoil Towers (1977) in Houston, and the proposed New England Life building in Boston (see 500 Boylston Street in this section).





INTERNATIONAL PLACE

INTERNATIONAL PLACE

o Development Team

Developer: The Chiofaro Company; an affiliate of The Hillman Company,
Joint Venture Partner
Architect: John Burgee, Architects with Philip Johnson
Land owner: City of Boston and Developer

o Parcel Description

Location: Oliver, High and Purchase Streets
Size: 115,301 square feet

o Project Description

	<u>Phase One</u>	<u>Phase Two</u>
Height:	46 stories, 600 feet (55 stories, 675 feet originally proposed) 27 stories, 365 feet 19 stories, 263 feet	35 stories, 460 feet (44 stories, 571 feet originally proposed) 11 stories, 161 feet
Gross Square footage:	1,027,292	629,708
Floor area ratio:	14.37 (total project)	
Exterior material:	Granite and glass	
Parking:	430 below-grade public spaces	397 below-grade spaces
Uses:	Office: 915,382 square feet Retail: 40,000 square feet	555,628 square feet 30,000 square feet

o Financing

Acquisition
price: \$21 million for garage, \$4 million for land under
High Street ramp
Total
development
cost: \$414 million

o Schedule

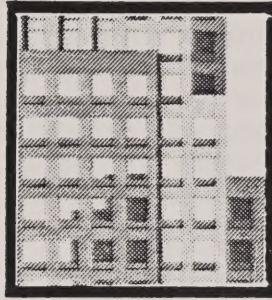
	<u>Phase One</u>	<u>Phase Two</u>
Construction Start:	Winter 1985	Fall 1986
Occupancy:	Spring 1987	Winter 1989

o Benefits

Annual taxes
o existing: \$316,000
o upon completion: \$10.74 million
o increase in taxes: \$10.39 million
Development Impact Payment: \$7.79 million

Employment	<u>Total</u>	<u>Phase One</u>	<u>Phase Two</u>
o permanent jobs	7200	4750	2450
o construction jobs (person-years)	3500	2300	1200

150 FEDERAL STREET

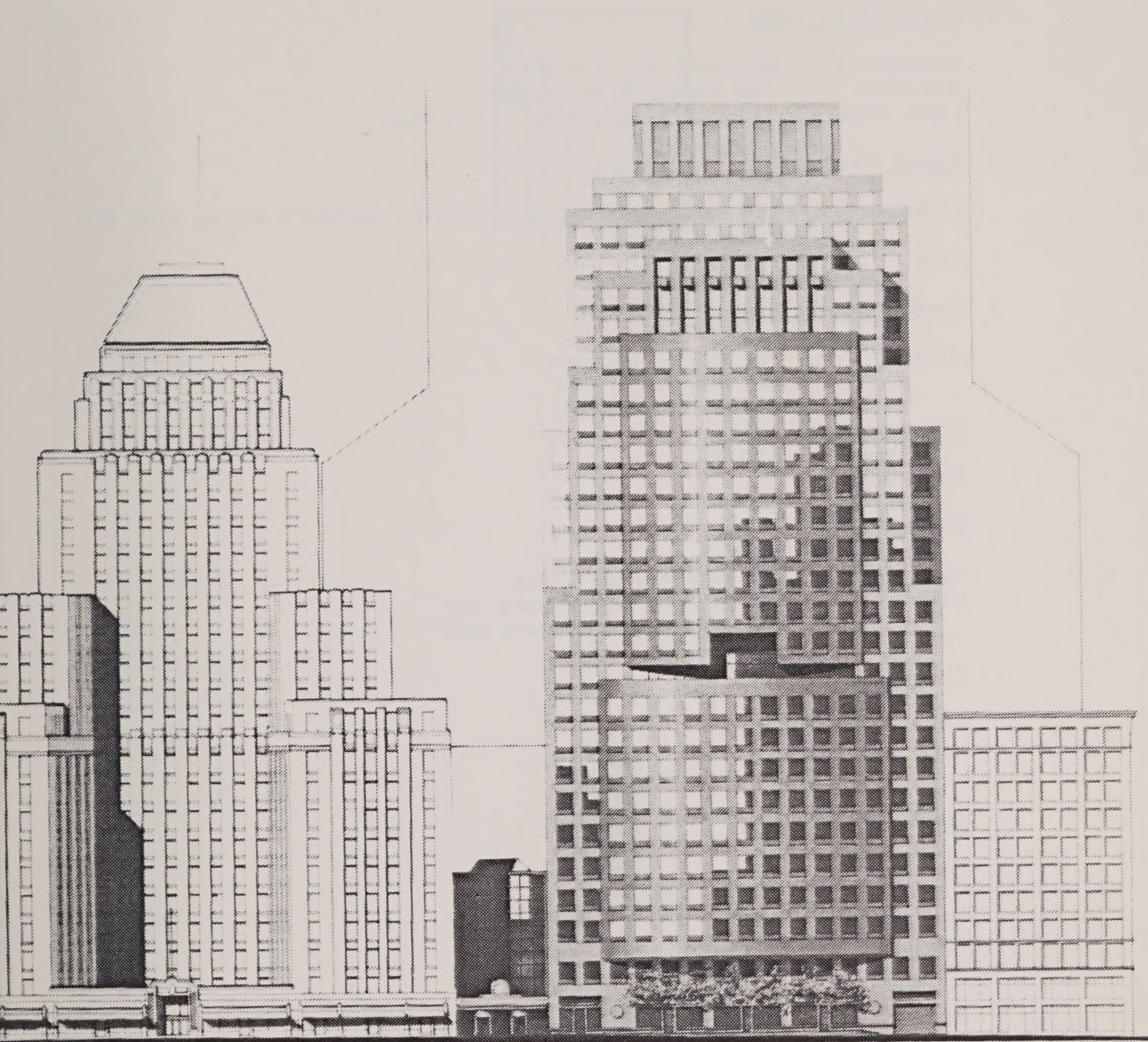


150 FEDERAL STREET

This proposal, to replace an existing parking garage situated adjacent to the landmark United Shoe Machinery building with a new structure, has been guided by an agreement between the Boston Landmarks Commission and the Boston Redevelopment Authority. The agreement requires rehabilitation of the landmark structure in accordance with a study prepared by the Landmarks Commission. A public four story atrium will separate the new and old structures. The existing garage on the site will be replaced with an underground facility for 263 cars.

The new structure will become the visual terminus of New Congress Street. Special attention will be given to designing a new building that relates in height, scale, and massing to the old United Shoe building. Pedestrian routes from South Station to the financial district are being studied. The lobby spaces of the old Art Deco structure, which have been designated landmarks by the Boston Landmarks Commission, are being carefully refurbished to restore their quality as public spaces. The older Art Deco storefronts, an important aspect of the street's character, are also being refurbished to improve an already active sidewalk shop area. The new structure itself will have 10,000 square feet of retail space along public streets and the interior atrium. The light pink thermal finished granite and darker polished granite, the green tinted glass, and the articulated window mullions of the new structure will complement the materials of the old structure, dark sand colored brick trimmed with a lighter cast stone.





150 FEDERAL STREET

150 FEDERAL STREET

o Development Team

Developer: Meredith and Grew
Architect: The Stubbins Associates
Land owner: Federal Development Incorporated

o Parcel Description

Location: 150 Federal Street, bounded by Mathew's Place, High and Federal Streets
Size: 37,267 square feet

o Project Description

Height: 26 stories approved
322 feet to cornice
348 feet to parapet
Gross square footage: 510,000
Floor area ratio: 13.71
Exterior material: granite
Parking: 263 below-grade spaces
Uses: Office: 475,000 square feet
Retail: 10,000 square feet

o Financing

Total development cost: \$90 million

o Schedule

Construction start: Spring 1985
Occupancy: Spring 1987

o Benefits

Annual taxes
o existing: \$735,424
o upon completion: \$2.33 million
o increase in taxes: \$1.52 million
Development Impact Payment: \$1.93 million
Employment
o 2170 permanent jobs
o 1500 construction jobs (person-years)

101 FEDERAL STREET



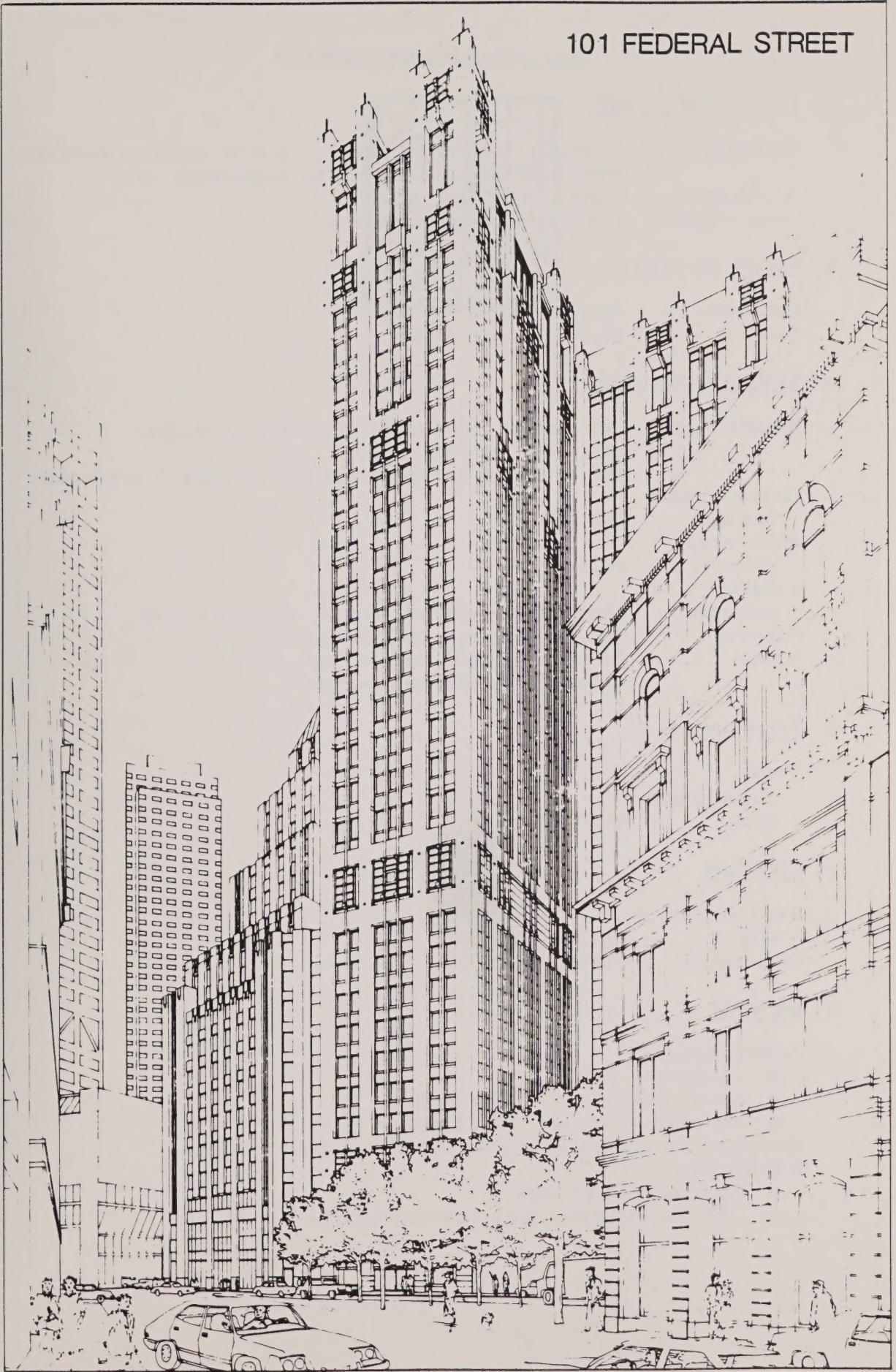
101 FEDERAL STREET

The 101 Federal Street proposal will redevelop an open parking lot behind the existing building at 75 Federal Street. The design, inspired by Art Deco designs of the 1920's and 30's, combines high quality materials--limestone, marble, and granite--to compose a vertically accented facade elegantly articulated with stainless steel trim. A strong visual relationship of new and old is created by the contemporary foil in the Art Deco style. The first 11 floors of new construction are aligned with 75 Federal's, expressing deference and respect for the existing fabric of the city. The new building's stone facing will match the dominant tones of the relief panels on the walls of the older building.

The public benefits of the project include a 30 foot high, retail-lined public gallery between Winthrop Square and Federal Street. This key pedestrian link, known as Snow Place walk, will physically link the Financial District with the retail district, the Downtown Crossing. The gallery is linked to the lobby of 75 Federal Street, whose superb interiors and wood inlaid elevators are being meticulously restored. 101 Federal Street's height has been scaled down in the course of design review to reduce the shading of existing and proposed open space in Post Office Square, to mitigate canyonization of surrounding streets, and to minimize the potential for adverse pedestrian level winds.



101 FEDERAL STREET



101 FEDERAL STREET

o Development Team

Developer: Franklin Federal Partners - a joint venture between
Himmel/MKDG and HN Gorin Associates, Inc.
Architect: Kohn, Pedersen, and Fox
Land owner: Franklin Federal Partners

o Parcel Disposition

Location: 75-101 Federal Street
Size: 47,700 square feet

o Project Description

Height: 28 stories (33 stories originally proposed)
365.5 feet to roof
381.5 feet to parapet (461 feet originally proposed)
Gross square
footage: 504,650
Floor area
ratio: 16.5
Exterior
material: Limestone, polished marble, stainless steel
Parking: 140 below-grade private spaces
Uses: Office: 469,500 square feet
Retail: 15,000 square feet

o Financing

Total
development
cost: \$101 million

o Schedule

Construction
start: Spring 1985
Occupancy: Spring 1987

o Benefits

Annual taxes
o existing: \$535,000
o upon completion: \$2.62 million
o increase in taxes: \$2.03 million
Development Impact Payment: \$1.92 million
Employment
o 2265 permanent jobs
o 975 construction jobs (person-years)

ONE FRANKLIN PLACE



ONE FRANKLIN PLACE

Several different proposals have been made for the old Kennedy's Department Store. The original scheme proposed demolition and replacement of Kennedy's with a twenty-five story, 550,000 square foot, aluminum and glass structure. An agreement, however, was adopted between the Boston Redevelopment Authority and the Boston Landmarks Commission on October 3, 1983, that required the preservation of the old Kennedy's facade. Continued negotiations with the developer of the site have reduced the building to a 416,000 square foot structure that stands 273 feet high.

The project's public improvements will combine with those constructed at Downtown Crossing to provide a continuous string of public amenities from Washington to Arch Streets. The project will also include the retention and restoration of 63 Franklin Street, the reconstruction of the 103 Arch Street parapet, and the restoration of the Bussey Street facades of Long's and 103 Arch Street. A below ground connection will be built by the developer that links Snow Place walk to the project's new atrium space and the Red Line's Summer Street concourse. This new public connection to the MBTA, with escalators and an elevator for the handicapped, will be lined with retail shops.

The materials have been changed to thermal finish Spanish pink granite for the new structure; the existing panel-brick facade on Summer Street will remain intact. The entire 93-101 Arch Street building will be retained, rehabilitated, and connected to the balance of the project. Special emphasis has been given to the building's skyline silhouette. Upper level setbacks, sloping glass penthouses, a copper roof, and a 20 foot clock are all combined to create a unique new Boston building.





ONE FRANKLIN PLACE

ONE FRANKLIN PLACE

o Development Team

Developer: Lincoln Property Company
Architect: Hoskins, Scott, Taylor
Harwood K. Smith
Timothy Anderson
Land owner: Lincoln Franklin Place, Ltd.

o Parcel Description

Location: 101 Arch Street
Size: 32,000 square feet

o Project Description

Height: 20 stories approved (25 stories originally proposed)
265 feet to cornice
273 feet to parapet (324 feet originally proposed)
Gross square
footage: 416,563 approved (550,000 originally proposed)
Floor area
ratio: 12.5
Exterior
material: granite, slate, marble cast stone
Parking: 27 below-grade spaces
Uses: Office: 340,000 square feet
Retail: 46,000 square feet

o Financing

Total
development
cost: \$80 million

o Schedule

Construction
start: Winter 1985
Occupancy: Fall 1986

o Benefits

Annual taxes
o existing: \$123,182
o upon completion: \$2.08 million
o increase in taxes: \$1.95 million
Development Impact Payment \$1.41 million
Employment
o 1800 permanent jobs
o 800 construction jobs (person-years)

99 SUMMER STREET



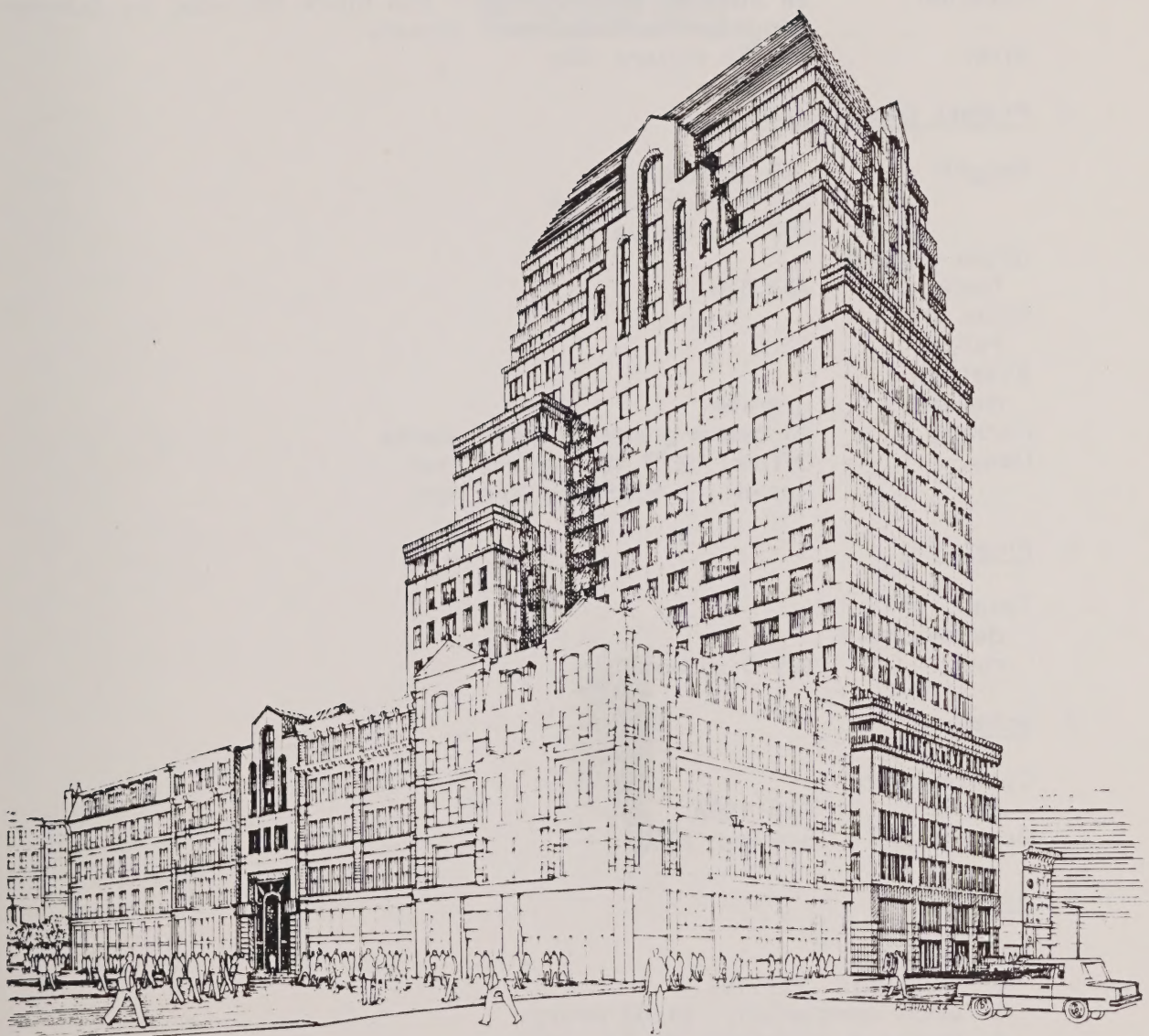
99 SUMMER STREET

A continuous row of commercial structures lining Summer Street from Church Green to Kingston Street will be created by 99 Summer Street, a new 264,000 square foot office building with a 25 foot wide arcade entrance on Summer Street. This new smaller scale office building, containing floor plates ranging from 20,000 to 10,000 square feet, has been carefully adapted to an irregularly shaped site. Replacing a parking lot, this project will provide active retail uses and will improve the vacant sites on Kingston and Summer Streets with new five story facades. From a five story base, the structure will step back at four different levels to a total height of 282 feet. The top three floors are also stepped and terminate with a metal louver assembly, similar to the Old John Hancock Tower.

The lower levels of the structure are designed to knit the existing buildings in this block together and to encourage their active reuse. The proposed materials are polished thermal finish rose pink granite. The windows are to be recessed with chamfered surrounds and aligned with the window patterns of adjacent structures.

The public open space benefits of this project include: (1) a skylighted through-block arcade from Summer to Bedford Streets; (2) brick paved sidewalks for Kingston, Bedford, and Summer Streets; and (3) an escrow account to fund street improvements, similar to those at Downtown Crossing, on Summer Street between Otis and Devonshire Streets. Other benefits of this project include underground parking, the potential development of the Bedford Street service bay into retail space, and the placing of service activities underground.





99 SUMMER STREET

99 SUMMER STREET

o Development Team

Developer: Bedford Kingston Realty Trust
Architect: Goody, Clancy and Associates
Land owner: Bedford Kingston Realty Trust

o Parcel Description

Location: 99 Summer Street, within the block bounded by Summer,
Kingston, and Bedford Streets
Size: 20,782 square feet

o Project Description

Height: 20 stories
265 feet to cornice
282 feet to parapet
Gross square
footage: 263,870
Floor area
ratio: 12.6
Exterior
material: granite
Parking: 70 below-grade private spaces
Uses: Office: 239,464 square feet
Retail: 9,552 square feet

o Financing

Total
development
cost: \$39.6 million

o Schedule

Construction
start: Fall 1984
Occupancy: Summer 1986

o Benefits

Annual taxes
o existing: \$17,167
o upon completion: \$1.03 million
o increase in taxes: \$1.01 million
Development Impact Payment: \$745,000
Employment
o 1200 permanent jobs
o 416 construction jobs (person-years)

ARLINGTON/HADASSAH



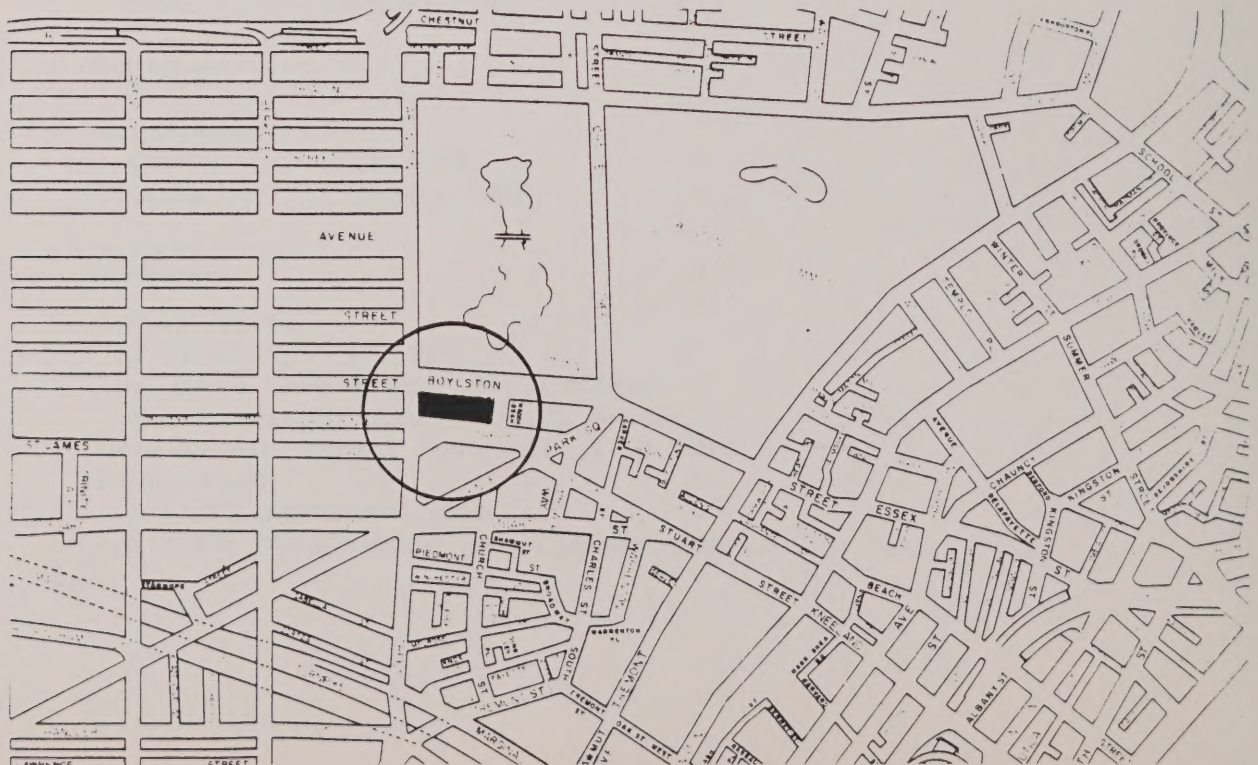
ARLINGTON/HADASSAH

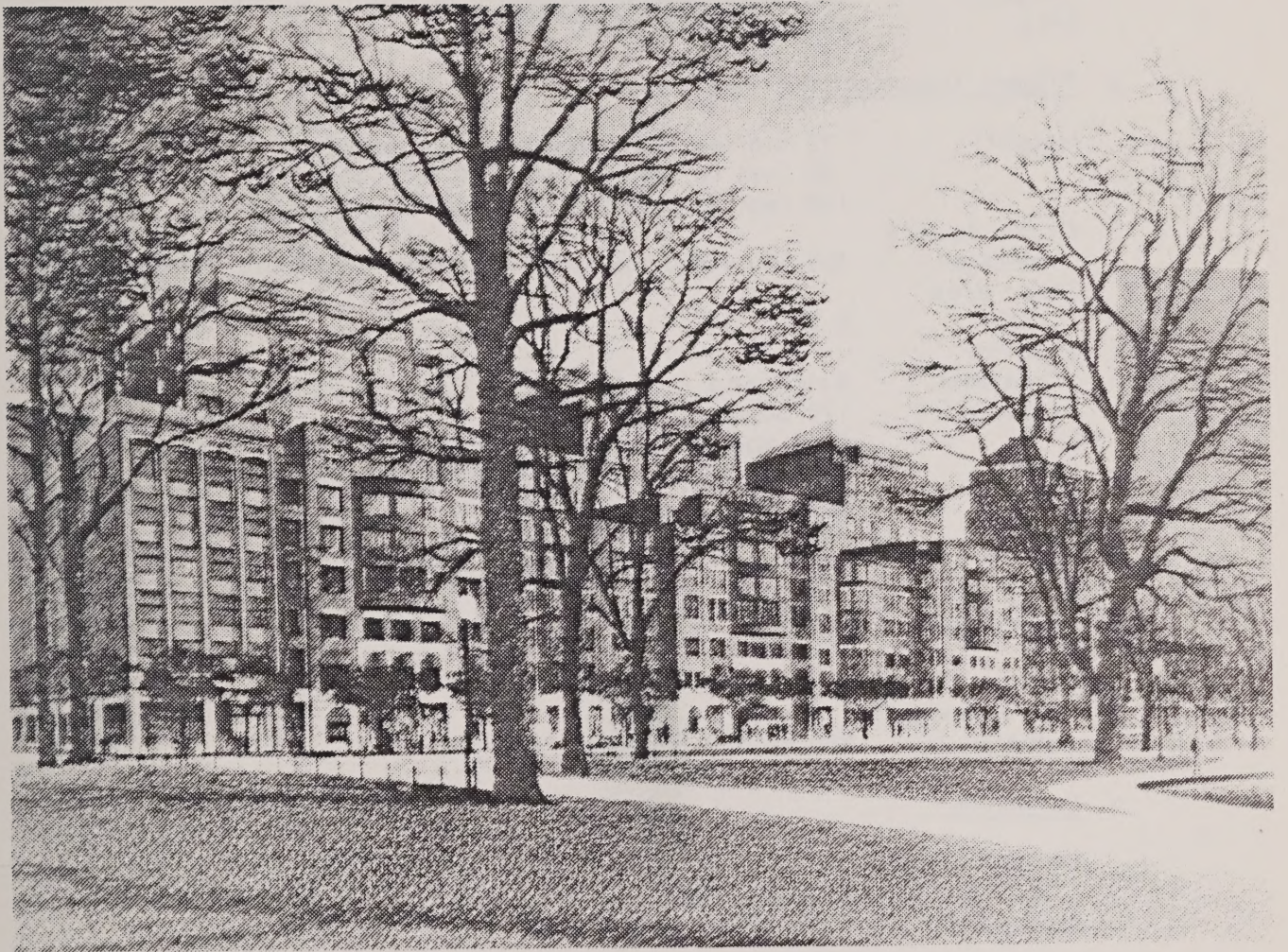
The design of Arlington-Hadassah relates extremely well to its surroundings and is distinguished in itself. The materials (brick and limestone), the bays and belvederes, the definition of the first floor from the rest of the building, and the height and setbacks, combine to create a building which carries the rhythm, scale, and appeal of Back Bay down Boylston Street. The building presents three attractively varied facades to Boylston and Arlington Streets and to Park Plaza; together with the Four Seasons and the Bradley Building it will create an elegant and appropriate presence on the Public Garden.

This mixed use project with retail and office uses on the lower level is predominantly residential. City policies encourage residential uses around the Public Garden and Common. In addition, the quality and quantity of the retail and restaurant spaces on the first floor will generate the activity needed to enliven the building and replace a weak link in the Boylston Street retail corridor between the Back Bay and the Financial District.

The Architects Collaborative (TAC) of Cambridge, the architects for this building, have designed other significant buildings in Boston, including the Copley Place development, the Shawmut Bank Building in the Financial District, the John F. Kennedy Federal Building in Government Center, and Children's Hospital in the Longwood Medical Area.

The project is accompanied by considerable public benefits beyond its excellent design and compatibility with the neighborhood. The developer is committed to a payment of \$1 million for low- and moderate-income housing in the city, an annual payment of \$75,000 for the maintenance and improvement of the Boston Common and Public Garden, a payment of one percent of basic construction costs for works of art, the construction of brick sidewalks around the building, a new brick Hadassah Way, and a public plaza on the Park Plaza side of the project.





ARLINGTON/HADASSAH

ARLINGTON/HADASSAH

o Development Team

Developer: The Druker Company
Architect: The Architects Collaborative
Land owner: The Druker Company

o Parcel Description

Location: Boylston Street, adjacent to Public Garden
Size: 40,880 square feet

o Project Description

Height: 12 stories (as originally proposed)
85 feet to cornice with 50 foot setback
130 feet to parapet (as originally proposed)
Gross square footage: 485,501 (approximately same as originally proposed)
Floor area ratio: 9.56
Exterior material: Brick and stone
Parking: 178 below-grade spaces
(148 spaces residential use, 30 commercial use)
Uses: Residential: 233,423 square feet (90 units)
Office: 111,850 square feet
Retail: 44,582 square feet
Parking: 78,718 square feet

o Financing

Total development cost: \$80 million

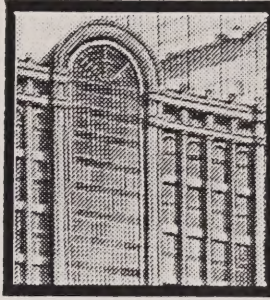
o Schedule

Construction start: Summer 1985
Occupancy: Fall 1987

o Benefits

Annual taxes
o existing: \$190,981
o upon completion: \$1.62 million
o increase in taxes: \$1.42 million
Development Impact Payment: \$355,000
Contribution to fund for low and moderate income housing: \$665,000
Employment
o 620 permanent jobs
o 975 construction jobs (person-years)

500 BOYLSTON STREET

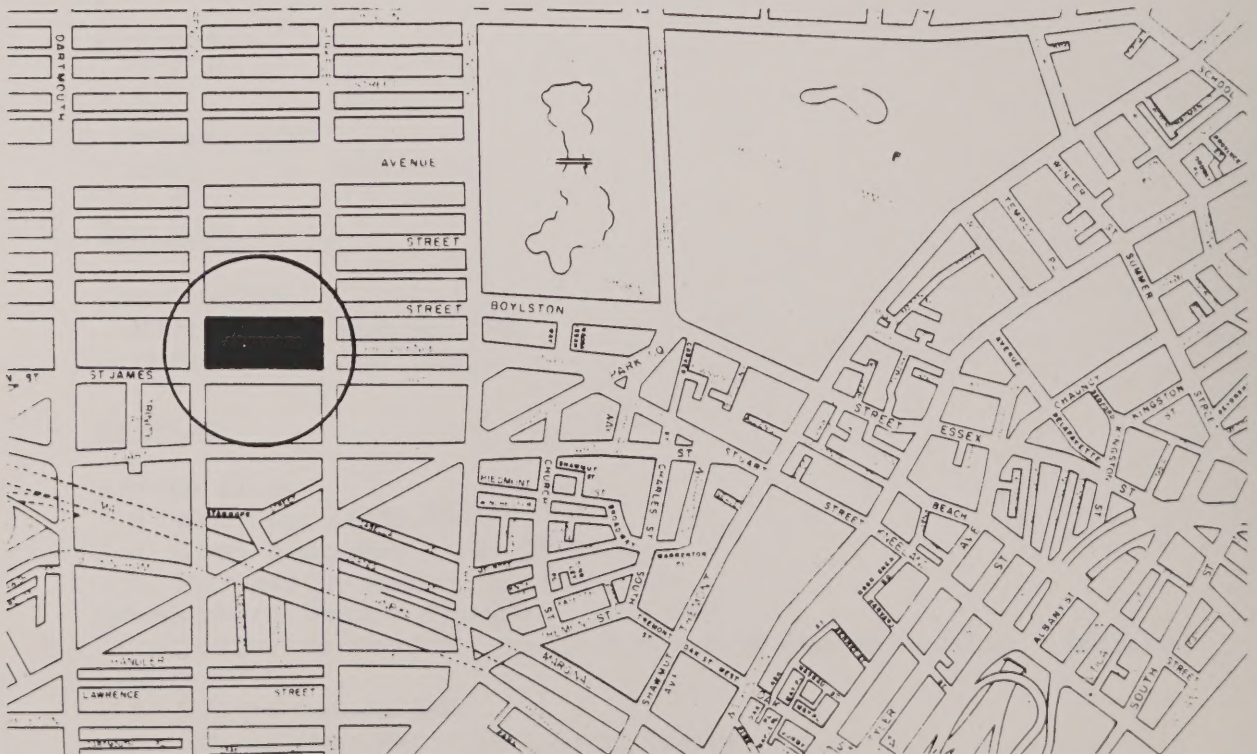


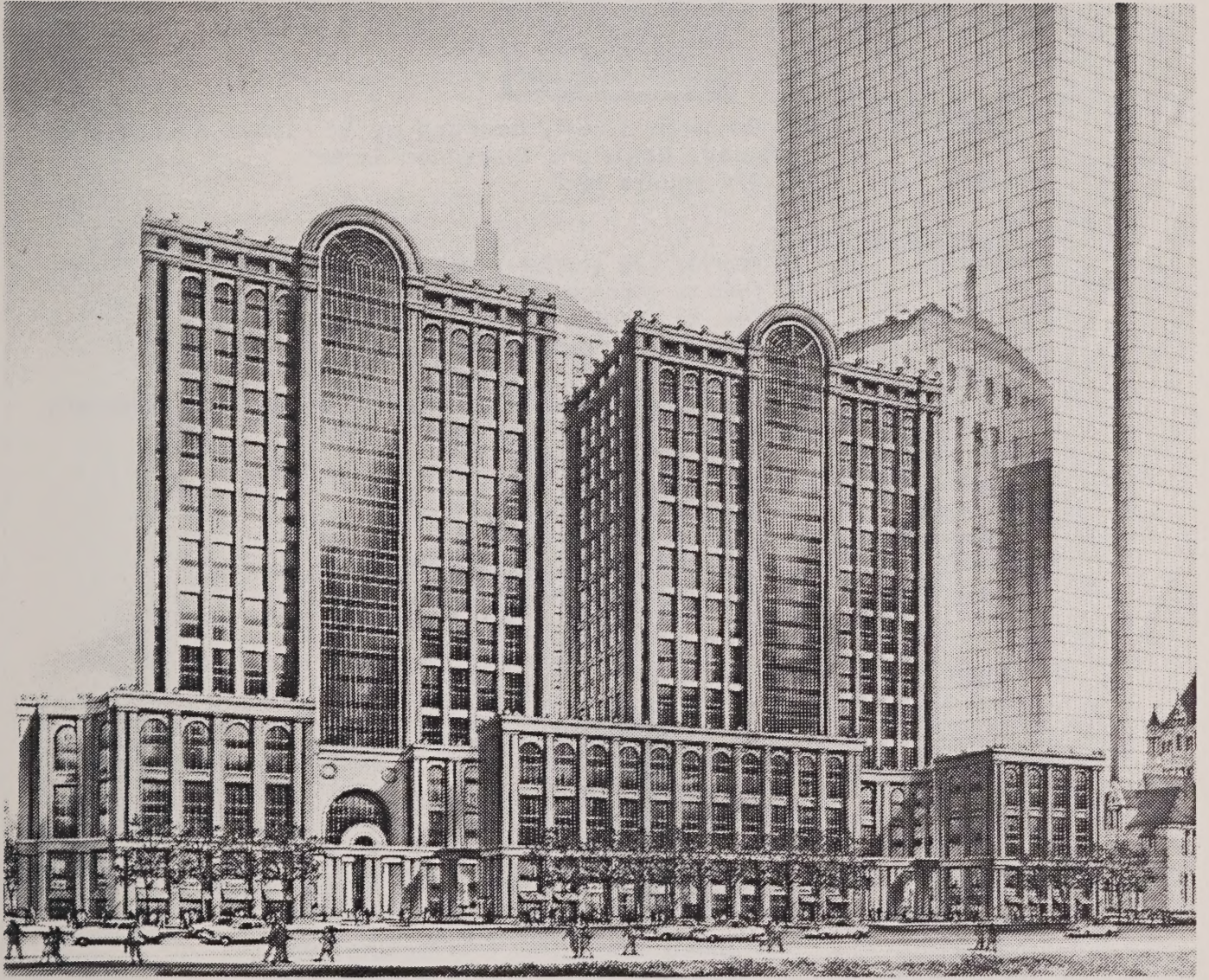
500 BOYLSTON STREET

The 500 Boylston Street project will be a mixed-use development consisting of 1,200,000 square feet of office space, 100,000 square feet of retail space on the first and second floors, and approximately 1,000 parking spaces below grade, of which a minimum of 625 spaces will be available as public parking (with no fewer than 312 spaces designated for short-term daily use). The development has been designed by the internationally known firm of John Burgee, Architects, and Philip Johnson. Located on a 137,000 square foot site which combines two City parcels and previously assembled private parcels of New England Mutual Life Insurance Company, the development will become in part the corporate world headquarters for New England Life.

The design proposes a six-story base along Boylston Street, consistent with building heights along Boylston Street's south side, between Arlington and Clarendon Streets. Twin-office towers, set back from Boylston Street, rise 330 feet to a distinctive cornice with center arches and decorative elements characteristic of other Back Bay buildings. The new towers are 79 feet lower than the top of the John Hancock Clarendon Building. The proposed granite exterior will be similar to the granite of the Public Library and the existing New England Life office building.

Two public courtyards that open onto Boylston Street will provide 27,000 square feet of open space. Lined with retail shops, these courts will provide a substantial improvement to the Boylston Street shopping environment. Other special public benefits include a job initiatives program for Boston residents and a \$500,000 challenge grant for the redesign and reconstruction of Copley Square.





500 BOYLSTON STREET

500 BOYLSTON STREET

o Development Team

Developers: New England Mutual Life Insurance Company
Gerald D. Hines Interests
Architect: John Burgee, Architects and Philip Johnson
Land owners: New England Mutual Life Insurance Company
City of Boston (garage site)

o Parcel Description

Location: 500 Boylston Street, bounded by St. James Avenue and
Berkeley, Boylston, Clarendon Streets
Size: 137,074 square feet

o Project Description

Height: 25 stories (29 stories originally proposed)
87 feet to cornice along Boylston Street
330 feet to cornice along St. James Avenue
(396 feet originally proposed)
Gross square
footage: 1,378,590 (approximately 1,650,000 square feet originally
proposed)
Floor area
ratio: 9.5
Exterior
material: granite
Parking: 1,000 below-grade spaces (625 public spaces)
Uses: Office: 1,200,000 square feet
Retail: 100,000 square feet

o Financing

Acquisition
price: \$7,766,400 (garage)
Total
development
cost: \$289 million

o Schedule

	<u>Western Component</u>	<u>Eastern Component</u>
Construction start:	Spring 1985	Spring 1987
Occupancy:	Spring 1987	Summer 1989

o Benefits

Annual taxes
o existing: \$594,000
o upon completion: \$7.50 million
o increase in taxes: \$6.84 million
Development Impact Project payment: \$6.0 million
Employment
o 5,705 permanent jobs
o 3,000 construction jobs (person-years)

Public Benefits



PUBLIC BENEFITS

The city and the region will benefit significantly from the development of the ten projects described in this report. While the 13,100 construction jobs and 24,700 permanent jobs, described in Part Two, are probably the most significant and far-reaching of the direct benefits offered by the development of these buildings, there are a number of other noteworthy opportunities and programs which will be provided. These include fiscal benefits, in the form of taxes and housing contributions; special programs for the neighborhoods; and architectural and design benefits, with particular emphasis on open spaces.

I. FISCAL BENEFITS

Taxes. Approximately \$34 million in annual gross property tax revenue will be provided by the nine office development projects. Most of this, approximately \$31 million, will be net new revenue for Boston. These tax revenue benefits will be phased in as the projects proceed from construction to completion between 1985 and 1989. The new tax revenues are a permanent addition to annual tax collections, providing continued support to the financing of City services and growing by 2½ percent annually, as allowed by State law. The Post Office Square Park, will provide further annual City revenues under the terms of a "121A" contract.

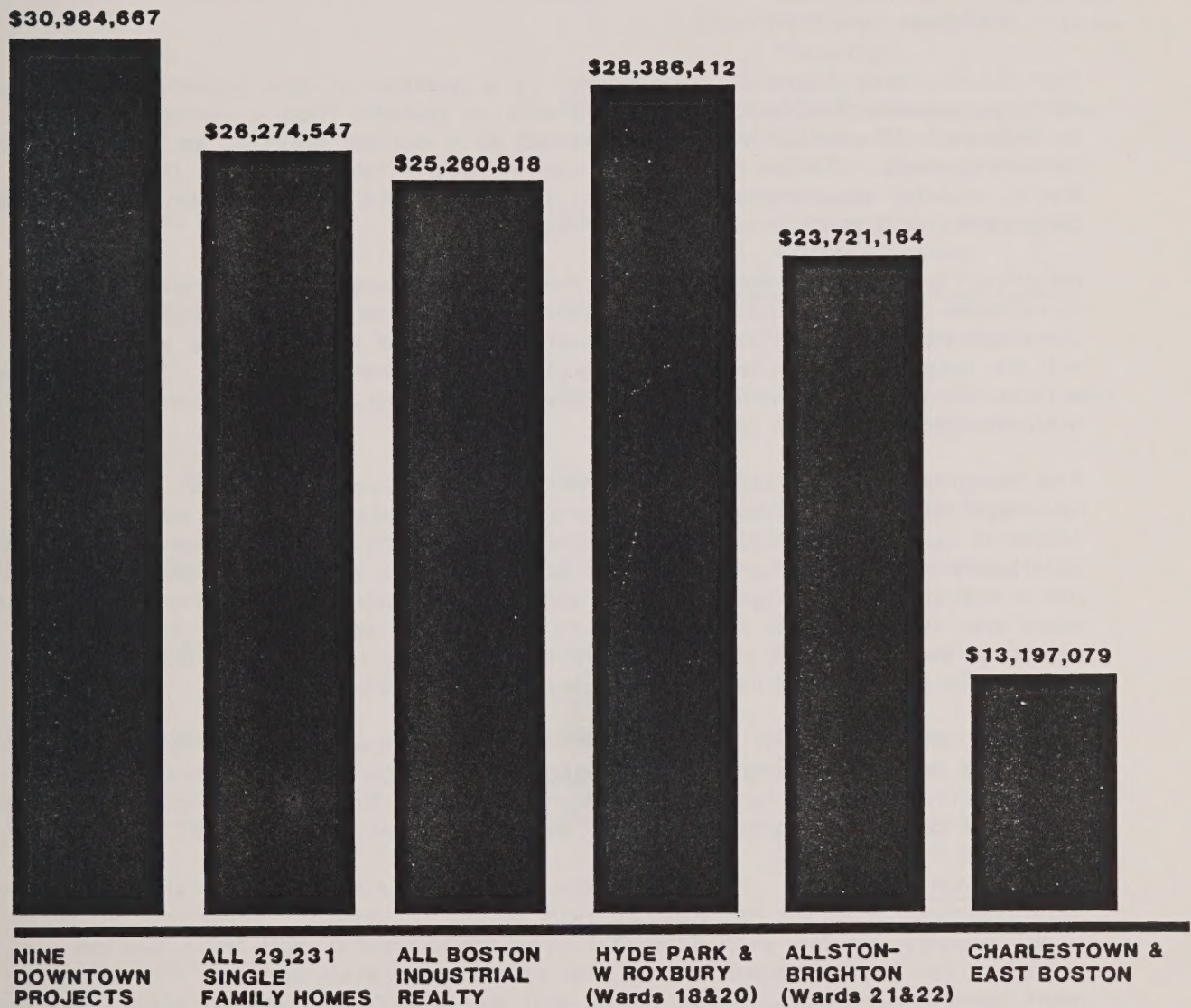
The taxes to be paid by the nine office projects equal more than one-tenth of the entire fiscal year 1984 property tax levy of \$333 million. The taxes will exceed by one-third the total taxes paid in fiscal year 1984 by Boston's 29,231 conventional single-family homes. The substantial fiscal benefits from these projects continue the trend of downtown development supporting an increasing share of city-wide municipal services. The projected \$34 million in tax revenues anticipated from these nine projects is 20 percent more than all the tax revenues generated by Boston's industrial real estate. The chart on the next page shows these tax benefits in perspective.

Housing Linkage Benefits. The downtown projects are expected to contribute a total of over \$24,526,000 million in housing linkage funds or the equivalent in the production of low and moderate income housing units.* By 1989, linkage benefits will amount to roughly \$2 million a year. Linkage contributions from these projects will begin as each project receives a certificate of occupancy, or two years after construction starts, and will continue over a twelve year period.

* Developers subject to development impact exactions may satisfy this obligation by paying cash or by "contributing to the creation of housing units, for occupancy exclusively by low and moderate income residents of the City, at a cost at least equal to the amount of the appropriate Housing Payment Exaction, and in conformity with written regulations to be adopted by the Boston Redevelopment Authority after public notice and hearing." Boston Zoning Code, Text Amendment No. 73, Section 62-2, Subsection 3(b) (December 29, 1983). This report is not intended to show a preference for either cash or in-kind transfers.

NINE DOWNTOWN PROJECTS

Projected Taxes in Perspective



Projected taxes from Nine Downtown Projects is the estimated net increase in annual tax payments upon completion (1990).

Other taxes shown are official Fiscal Year 1984 figures.

Actual neighborhood taxes were somewhat less than amounts listed here due to the effect of the homeowner exemptions.

Housing linkage funds will be targeted to specific development projects which increase opportunities for homeownership and which expand the supply of affordable neighborhood housing. New projects and programs will complement existing efforts to leverage private investment by providing gap financing and by buying down interest rates. Such programs maximize real returns for public contributions. Target areas will be identified in conjunction with local priorities to take full advantage of public and private investment programs for commercial area revitalization, open space improvements, and major transportation system improvements.

II. SPECIAL INITIATIVES

Significant contributions volunteered by a number of the development teams will also enable the residents of the city to benefit from a variety of new initiatives. These contributions exceed \$2.5 million dollars, as shown on the following page. These new initiatives include a Neighborhood Development Bank, special educational programs, funds for the reconstruction of a major city park, and park maintenance programs.

Neighborhood Development Bank. Private developer contributions totaling more than \$1 million dollars have been volunteered for a Neighborhood Development Bank. The funds, used to leverage local private investment, will be targeted to those Boston neighborhoods most in need. The program will be focused on commercial investment, housing, and the preservation of historically significant buildings.

The Neighborhood Development Bank will use private downtown dollars to leverage private neighborhood dollars, and will also have the ability to respond quickly to neighborhood investment needs. Traditional public sector strategies have used large amounts of tax dollars either to totally fund economic development programs or to leverage additional public investment; they have also been slow in responding to community needs. This new effort seeks to avoid both of these pitfalls by becoming involved in the neighborhoods and by aggressively leveraging private investment.

Initially, the funds will be used to: (1) write down interest rates on construction loans and long-term mortgages; (2) provide gap financing; and (3) directly leverage large scale improvements. Both local lending institutions and local community groups will be involved in all transactions.

Educational Programs. Voluntary developer contributions will also establish a jobs training program for Boston high school students. This special initiative, initially funded with \$100,000 over three years, will train Boston students for jobs created in the new office and retail space. The development team contributing these funds will work with the Boston school system, other City departments, the State, and Bay State Skills Corporation to implement an appropriate program.

An athletic scholarship program for Boston high school students will also be established. The program will be endowed with \$100,000 per year for three years. The scholarship recipients will be jointly selected by the Mayor, the School Department, school officials, and the developer.

SPECIAL INITIATIVES
FUNDED BY DEVELOPERS

<u>PROJECT</u>	<u>AMOUNT</u>	<u>PROGRAM</u>
Arlington/Hadassah	\$665,000	Contribution to fund for low and moderate income housing
	75,000	For maintenance of the Public Garden and Boston Common
500 Boylston Street	500,000	For reconstruction of Copley Square
International Place	300,000	For Boston athletic scholarship fund
	100,000	For Boston schools' jobs training program
101 Federal Street	300,000	For Neighborhood Development Bank
One Franklin Place	250,000	For Neighborhood Development Bank
150 Federal Street	200,000	For Neighborhood Development Bank
99 Summer Street	150,000	For Neighborhood Development Bank
99 State Street	150,000	For Neighborhood Development Bank

Copley Square Reconstruction. A major effort is underway to redesign and reconstruct one of the city's major public parks, Copley Square. The Copley Square Centennial Committee, composed of major Back Bay corporate, institutional, and neighborhood organizations, has been constituted to raise at least half of the \$3 million needed to reconstruct the park.

The five corporate members of the Committee--John Hancock Mutual Insurance Company, New England Mutual Life Insurance Company, Liberty Mutual Insurance Company, Prudential Insurance Company and Urban Investment and Development Company--are expected to contribute in excess of 1 million dollars toward this major private fund raising effort. A contribution of \$500,000 has been made toward the park reconstruction by one of the development teams.

Another feature of the Copley Square public/private funding partnership will be the creation of a privately raised \$1-1.5 million endowment fund, which will supplement City funds, for the maintenance of Copley Square. A full design may be completed within the next 12 months and reconstruction may begin as early as Fall, 1985. This schedule would allow for opening the reconstructed Copley Square during the Summer of 1986.

Park Maintenance Funds. Preserving and enhancing existing open space is a City priority. As part of one project, the developer has agreed to contribute \$75,000 per annum for the life of the development to a fund for the maintenance and improvement of the Public Garden and Boston Common. This amount will escalate over time to adjust for inflation.

III. OPEN SPACE BENEFITS

In addition to the direct employment, fiscal, and program benefits which these projects will provide, each of the development projects will, through its design, contribute open space areas for public use. Foremost among these is Post Office Square Park, illustrated on the next page. This project, already given initial approval by Mayor Flynn, will reclaim City land for public use and open space. The list on the following page identifies the public open space and major architectural contributions and other public amenities that each project will provide. Five of the buildings will provide major indoor retail malls and through-block pedestrian ways. Public plazas will be included in three of the projects, while two developments will contain large indoor courtyard areas for public use. The one waterfront project will supply significant public docking space and a portion of the Harborwalk system.



POST OFFICE SQUARE
PARK PLAN

DESIGN BENEFITS

<u>Project</u>	<u>Public Amenities</u>
Post Office Square Park	1.56 acre park, restaurant, pedestrian walkway, clock tower.
99 State Street	5 story pedestrian arcade linking Quincy Market to the Financial District.
Rowes & Fosters Wharves	6,400 square foot courtyard, water taxi terminal, marina and 30 foot walkways, 8th floor public observation deck.
International Place	25,000 square foot "Crystal Court" with indoor public eating area, walkway connecting Financial District to Dewey Square.
150 Federal Street	Preservation of United Shoe Building, interior retail arcade.
101 Federal Street	Snow Place Walk, a major pedestrian link between Downtown Crossing and Financial District bus drop-off, retail arcade.
One Franklin Place	Snow Place walkway with access to subway concourse (including handicapped access), preservation of Kennedy's facade, three level retail atrium, development of MBTA concourse, and adjacent building and pedestrian improvements to Summer Street.
99 Summer Street	Major pedestrian improvements to Summer Street, skylighted interior arcade with fountain.
Arlington/Hadassah	Pedestrian improvements to Park Square, fountain, first floor retail arcade.
500 Boylston Street	Two public courtyards lined with retail stores on Boylston Street.

All projects have an appropriate new treatment of sidewalks, including landscaping and trash receptacles. Maintenance of all these public improvements will remain a private responsibility.

The public benefits provided by these projects will be for all Boston citizens. For example, the Crystal Court of International Place will be available for neighborhood activities and groups as well as for downtown events. Linkage benefits and the special initiatives are targeted for low and moderate income residents and neighborhoods. The public benefits from these projects will bring Boston's downtown and neighborhoods together, by distributing the benefits of downtown development to the people and neighborhoods that need them most and by attracting the people from the neighborhoods to their downtown.

Follow Through



5

FOLLOW THROUGH

The foregoing sections of this report describe ten private development projects which have been modified to provide additional public benefits to the city as a whole, as well as to their specific site locations. Through project review, the City has viewed each development proposal as a significant opportunity to help achieve its resident employment goals, to garner a wide range of public benefits, and to improve the design of the city. Further work is needed to finalize development approvals and to ensure that the benefits promised by downtown development materialize as planned. This section describes the follow through needed to realize the benefits promised on each project. Part One, Project Review, describes the development related approvals that must be granted by different governmental entities; it then lists the outstanding approvals needed by each project.

Further work is needed as well to provide a solid framework for achieving the City's goals for employment, public benefits, and good urban design as future development projects are proposed. This section also describes the follow through needed to build that framework. Part Two outlines a Design Advisory Board which is being instituted to strengthen public design review; Part Three announces the establishment of a Boston Jobs Task Force to capitalize on the employment opportunities of downtown development; Part Four describes a recently initiated downtown planning project intended to set the context for orderly growth, prescribe guidelines for development, and maximize the public benefits of downtown development.

I. PROJECT REVIEW

Approval Process. All the projects require additional approvals at either the local, state, or federal level. These reviews provide opportunities for written or spoken comments from the public before decisions are reached. The information provided here is designed to assist the public in taking advantage of these opportunities by describing various approval processes, most of which include public review. The agencies involved and the approvals needed by the downtown projects are listed below.

Boston Redevelopment Authority

- o Chapter 121A: Chapter 121A authorizes the exemption of certain Massachusetts developments from real property taxes by enabling them to make in-lieu-of tax payments based on the amount of income derived from the project. Developers of Chapter 121A projects in Boston are required to submit a plan to the Authority; a public hearing on that plan is then held by the Authority Board. Upon acceptance by the Board, the proposal is submitted to the Mayor for his review and approval.
- o Design Review: Design review, which includes reviews of schematics, design development, and final drawings, is required for each of the ten development proposals presented here. The Authority examines the designs at each stage, requesting revisions as needed. The approval of final drawings is required prior to the issuance of a building permit from the Inspectional Services Department.

- o **Developer Designation:** Designation of a developer is a role the Authority assumes when disposing of public property. Tentative designation is granted to a single developer after the Authority reviews responses for its requests to develop a specific parcel. The developer then proceeds through design review and other appropriate reviews. Upon their satisfactory completion, final designation may be granted by the Authority Board after a public hearing.
- o **Planned Development Area:** PDA applications must be approved by the Authority, acting as the Zoning Commission's staff. PDA status is a special zoning designation which may be requested for sites of one acre or more in size. It affords greater flexibility in site design than is allowed by the Zoning Code; procedures for obtaining a PDA designation provide for comprehensive Authority land use and design review. To make a PDA zoning map designation, the developer must submit an acceptable plan for Authority review, and the Zoning Commission must adopt a map amendment. The Board of Appeal may then grant exceptions to the Zoning Code. All three procedures require public hearings.
- o **Development Impact Project Approval:** The Zoning Code categorizes most projects of 100,000 square feet or more as Development Impact Projects and, to increase the availability of low and moderate income housing, requires developers of such projects to make a development impact payment to the Neighborhood Housing Trust or to otherwise contribute to the creation of low and moderate income housing. A request for a variance, conditional use permit, exception, or zoning map or text amendment triggers the need for a Development Impact Project approval.

Development Impact Project plans must be submitted to the Authority for staff review. Upon staff approval, the plans are presented to the Board at a public hearing. If the Board approves the plans, the developer enters into an agreement with the Authority and the Neighborhood Housing Trust to pay a Development Impact Project exaction. The Authority's recommendation is then sent to the Board of Appeal where procedures for other zoning actions may be initiated.

Additionally, the Building Commissioner cannot issue any building or use permit for a Development Impact Project unless the BRA has certified on the application, plans, drawings, or specifications filed with the Commissioner that the documents have undergone design review and are consistent with the approved project plan and that the applicant has entered into an exaction agreement with the BRA and the Neighborhood Housing Trust.

Public Facilities Commission

- o The Public Facilities Commission is a three member board responsible for actions related to the disposition of all surplus city properties. The Commission's action is required for the disposition of the city garages being sold for development.

Boston City Council

- o Property Disposition Votes: To sell surplus City owned property requires Council approval. A request to sell surplus property is transmitted from the Mayor to the Council; a Council committee must hold a public hearing on the request and submit a report to the full Council. Upon approval by the Council, the Mayor may sign the surplus order.

Boston Landmarks Commission

- o Established by the State Legislature in 1975, the Boston Landmarks Commission has as its main activity the designation of historic buildings. Once designated, a building cannot be demolished or have its exterior substantially changed without a public hearing and the Commission's approval. The Commission is also directly involved in the Boston Redevelopment Authority design review process with a number of new buildings which are proposed to be connected to historically significant buildings.

Boston Air Pollution Control Commission

- o Parking Freeze Permits: To reduce air pollution, the number of parking spaces downtown was restricted through an agreement between the United States Environmental Protection Agency and the City of Boston. To construct new commercial spaces, a developer must obtain a Parking Freeze permit from Boston Air Pollution Control Commission, issued only if an equivalent number of spaces have been eliminated somewhere within the freeze district. The Commission holds public hearings quarterly and includes those public comments in its final deliberations.

Boston Conservation Commission

- o Order of Conditions: Developers proposing to dredge, fill, or alter any wetland, shore area, or underwater land in the City are required to apply for an Order of Conditions. The Orders are designed to protect environmental resources within the Commission's jurisdiction, and may also address related issues, such as the design and maintenance of public open space. The Commission holds a public hearing and defers its decision for a week after the hearing to receive public comments.

Zoning Board of Appeal

- o Variances, Conditional Use Permits, and Exceptions: Projects which deviate from the Zoning Code may require variances, conditional use permits, and exceptions. Each of these zoning actions entails a public hearing before the Zoning Board of Appeal. The Board of Appeal makes its decision, assisted by public comments and the advice of the Boston Redevelopment Authority.
- o Development impact projects, described above, also require the review and approval of the Board of Appeal.

Zoning Commission

- o Zoning Amendments: The zoning maps and text of the Boston Zoning Code may be amended by the Zoning Commission upon request. For example, such a request is required for PDAs, as described above. Zoning Commission actions require public hearings and Mayoral approval.

Massachusetts Environmental Protection Division

- o Environmental Impact Review: The Division's Massachusetts Environmental Protection Act (MEPA) unit identifies those projects which have a significant environmental impact potential. If such potential is found, the MEPA unit specifies which impacts are significant and will require careful scrutiny in an environmental impact report. In addition, projects 300 feet or greater in height automatically trigger a categorical MEPA review. In both cases, the developer may be required to alter the project to mitigate potential adverse impacts. The environmental review process requires a public hearing.

Massachusetts Office of Coastal Zone Management

- o Coastal Zone Determination of Consistency: Coastal Zone Management reviews projects requiring federal licenses, permits, or funding to determine their consistency with the State Coastal Zone Management Plan. To receive a Determination of Consistency, a project is subject to a public hearing.

Massachusetts Department of Environmental Quality Engineering

- o Water Quality Certificate: Any project that will be within 100 feet of the 100-year flood plain or which calls for dredging, removing, filling, or altering waterways falls under the jurisdiction of the Wetlands Protection Act. The Department's Wetlands Division and Division of Waterways review plans for issuance of a Water Quality Certificate. The Division of Waterways will issue a Chapter 91 Waterways License if the project will not have adverse environmental impacts.

Massachusetts Historical Commission

- o Historic Impact Review: If State funding or environmental permits are required for a project, the Historical Commission must determine whether the project will have any effect on historic resources. MEPA requires developers to submit a copy of the environmental notification form to the Commission; its advisory board and appropriate agencies will confer if the project has a significant historic impact. Prior to the project's commencement, the Commission must certify in writing that the project will not adversely impact an historic site or building.

Outstanding Project Approvals. Approximately 72 separate public actions by a variety of boards, commissions, and agencies are required before the downtown projects can proceed to development. The accompanying City Approval Status chart illustrates the current status of each project in the multi-level review process. Listed below are the remaining approvals for each project. This list of outstanding approvals is intended to be illustrative, not exhaus-

CITY APPROVAL STATUS

DESIGN APPROVALS OTHER APPROVALS

PROJECTS	SCHEMATIC DESIGN	DESIGN DEVELOPMENT	FINAL DRAWINGS	DEVELOPMENT IMPACT PAYMENT	ENVIRONMENTAL REVIEW	DESIGNATION TENTATIVE	DESIGNATION FINAL	PDA	ZONING VARIANCE
500 BOYLSTON STREET	●	●	○	●	●	●	○	●	NA
ROWES/FOSTER WHARVES	●	●	○	●	●	●	○	NA	●
99 SUMMER STREET	●	●	○	●	○	NA	NA	NA	●
150 FEDERAL STREET	●	○	○	●	○	NA	NA	●	NA
99 STATE STREET	●	○	○	○	○	●	○	○	NA
ONE FRANKLIN PLACE	●	○	○	●	●	NA	NA	●	NA
ARLINGTON/HADASSAH	●	●	●	NA	●	●	○	NA	○
101 FEDERAL STREET	●	○	○	●	●	NA	NA	●	NA
INTERNATIONAL PLACE	●	●	●	●	●	●	○	NA	●
POST OFFICE SQUARE PARK	●	○	○	NA	●	NA	NA	NA	NA

- Completed
- In Progress
- Not Yet Submitted

tive. An unfinished and major issue facing city, state, and federal agencies involved in these approval processes is the need to evaluate and simplify multi-level regulatory reviews. In an attempt to do so, the Authority intends to establish a new Office of Environmental Policy within the agency. The department's mandate will be to assist in expediting all environmental reviews for development projects. This office will be a resource for both the public and the real estate development community. A second mandate for the department will be to insure that the public review process is open and inclusive. In anticipation of that mandate, this report itemizes all upcoming public hearings for the ten projects in the chart entitled "Opportunities for Public Review."

POST OFFICE PARK AND GARAGE

Boston Redevelopment Authority:

- o Completion of Chapter 121A procedures
- o Approval of ridesharing/vanpooling plan

Boston Air Pollution Control Commission:

- o Parking permit approval

99 STATE STREET

Boston Redevelopment Authority:

- o Schematic, design development, and final drawings approvals
- o Environmental Impact Report approval
- o Development Impact Plan approval
- o Planned Development Area approval
- o Recommendation of final designation of developer

Boston City Council:

- o Vote to surplus Kilby Street garage

Public Facilities Commission:

- o Final disposition vote and deed transfer

Boston Air Pollution Control Commission

- o Parking permit approval

Massachusetts Environmental Protection Agency:

- o Environmental review

Zoning Board of Appeal:

- o To be determined
- o Grant of conditional use permit

Zoning Commission:

- o To be determined

ROWES AND FOSTERS WHARVES

Boston Redevelopment Authority:

- o Design development and final drawings approval
- o Final designation of developer

OPPORTUNITIES FOR PUBLIC REVIEW

CITY REVIEW

STATE REVIEW

PROJECT	BOSTON REDEVELOPMENT AUTHORITY	BOSTON AIR POLLUTION CONTROL COMMISSION	CITY COUNCIL	PUBLIC FACILITIES COMMISSION	CONSERVATION COMMISSION	ZONING BOARD OF APPEAL	ZONING COMMISSION	MASS. ENVIRONMENTAL PROTECTION AGENCY	MASS. COASTAL ZONE MANAGEMENT	DEPT. ENVIRONMENTAL QUALITY ENGINEERING	MASS. HISTORICAL COMMISSION
POST OFFICE SQ. PARK		☐									
99 STATE STREET	☐	☐	☐	☐		☐	☐	☐			☐
ROWES/FOSTERS WHARVES	☐	☒							☒	☒	
INTERNATIONAL PLACE	☐			☐				☒			☐
150 FEDERAL STREET	☐	☐				☐		☒			☐
101 FEDERAL STREET	☐	☐				☐	☐	☐			☐
ONE FRANKLIN STREET	☐	☐				☐	☐				☐
99 SUMMER STREET	☐	☐				☒		☐			☒
ARLINGTON/ HADASSAH	☐	☒				☐		☒			☐
500 BOYLSTON STREET	☐	☒		☐		☐	☐	☒			☐

☒ Underway

☐ To Be Scheduled

Boston Conservation Commission:

- o Order of Conditions

Massachusetts Department of Environmental Quality Engineering:

- o Chapter 91 License/Water Quality Certificate

Massachusetts Office of Coastal Zone Management:

- o Determination of consistency

INTERNATIONAL PLACE

Boston Redevelopment Authority:

- o Environmental Impact Report final approval
- o Recommendation of final designation of developer

Public Facilities Commission:

- o Final disposition vote and deed transfer

Massachusetts Environmental Protection Agency:

- o Environmental review (draft compliance received; final pending)

150 FEDERAL STREET

Boston Redevelopment Authority:

- o Design development and final drawings approval
- o Development Impact Plan approval
- o Planned Development Area plan approval
- o Environmental review

Boston Air Pollution Control Commission

- o Parking permit approval

Boston Public Improvements Commission:

- o Street discontinuances

Zoning Board of Appeals:

- o Grant of exceptions from Zoning Code

Massachusetts Environmental Protection Agency:

- o Environmental review

101 FEDERAL STREET

Boston Redevelopment Authority

- o Design approval
- o Environmental Impact Review approval
- o Development Impact Plan approval
- o Planned Development Area approval

Boston Air Pollution Control Commission:

- o Parking permit approval

Zoning Board of Appeals:

- o Grant of exceptions from Zoning Code
- o Grant of conditional use permit

Zoning Commission:

- o Planned Development Area approval

Massachusetts Environmental Protection Agency:

- o Environmental review

Massachusetts Historical Commission:

- o Chapter 152 determination

ONE FRANKLIN PLACE

Boston Redevelopment Authority:

- o Schematic, design development, and final drawings approval
- o Development Impact Plan approval
- o Planned Development Area approval
- o Environmental review

Boston Air Pollution Control Commission

- o Parking permit approval

Zoning Board of Appeal:

- o Development impact project approval
- o Grant of exceptions from Zoning Code

Zoning Commission:

- o Planned Development Area designation

Massachusetts Historical Commission

- o Chapter 152 determination

99 SUMMER STREET

Boston Redevelopment Authority:

- o Design development and final drawings approval
- o Development impact plan approval
- o Environmental review

Boston Air Pollution Control Commission

- o Parking permit approval

Zoning Board of Appeal:

- o Development impact project approval
- o Grant of variance
- o Grant of conditional use permit

Massachusetts Environmental Protection Agency:

- o Environmental notification submittal and scoping

Massachusetts Historical Commission

- o Chapter 152 determination

ARLINGTON-HADASSAH

Boston Redevelopment Authority:

- o Final drawings approval
- o Final designation of developer
- o Possible use of eminent domain power

Boston Air Pollution Control Commission

- o Parking permit approval

Zoning Board of Appeal:

- o Grant of variances
- o Grant of conditional use permit

500 BOYLSTON STREET

Boston Redevelopment Authority:

- o Design development and final drawings approval
- o Environmental Impact Report approval
- o Development impact plan approval
- o Planned development area approval
- o Recommendation of final designation of developer

Zoning Board of Appeal:

- o Grant of exceptions from Zoning Code

Zoning Commission:

- o Planned Development Area approval

Public Facilities Commission:

- o Final disposition vote and deed transfer

Boston Air Pollution Control Commission:

- o Final approval of parking spaces

Massachusetts Environmental Protection Agency:

- o Environmental impact statement approval

Massachusetts Historical Commission:

- o Chapter 152 determination

II. DESIGN ADVISORY BOARD

In order to allow public review of development proposals and to solicit advice from people who have a particular expertise in or concern for the design of the city, the Administration will form a new Design Advisory Board to review major development proposals.

The purpose of the Board will be to review public and private development proposals and to advise the Boston Redevelopment Authority on the design of the proposals, taking into account the objectives and guidelines that ultimately will result from the downtown planning process. Typically, large-scale

projects have the greatest public impact and the most complex designs, so it is appropriate that the Design Advisory Board will review proposals citywide which are 100,000 square feet or greater in size.

The Design Advisory Board will review development proposals at the conclusion of the schematic design phase, making its recommendation to the Authority for design development. Authority design staff will assist the Board, providing it with information necessary for a thorough design review.

The Design Advisory Board will consist of eleven members appointed by the Mayor. At least six of them will be design professionals, including architects, landscape architects, planners, engineers, artists, and architectural historians; the remainder will include people with a particular commitment to the shape of Boston's public environment. The members will serve terms of one year without remuneration.

Several commissions and committees already exist to review development proposals. The Design Advisory Board will not replace such groups formed to advise the Boston Redevelopment Authority on various aspects of specific projects. Rather, the review of the Board and its advice will supplement their activities, adding a focused and informed perspective on matters of design aesthetics.

III. IMPROVEMENTS IN EMPLOYMENT OPPORTUNITIES

There currently exists an organized network of entities working toward job training, placement, and skills development. The City's Neighborhood Development and Employment Agency is the recipient of Federal government Job Training Partnership Act funds, including \$6 million in 1984.* NDEA works with the Private Industry Council, formed by the chief executives of major corporations, to train and place the eligible unemployed. The NDEA/Private Industry Council works in collaboration with other businesses and training programs: the public schools, higher education institutions, the Boston Housing Authority, the Division of Employment Security, the Welfare Department, UIDC/Copley Place, Boston's EDIC, the Massachusetts Technology Development Corporation, the Mass Business Development Corporation, and the Mass Capital Resource Company. There are also operational agreements with the State's Bureau of Adult Education, the Massachusetts Rehabilitation Commission, and the Department of Social Services. Specific programs have involved collaboration with the Division of Youth Services, the Corrections Department, the City's Department of Parks and Recreation, the Bay State Skills Corporation, the Boston Redevelopment Authority, the Humphrey Occupational Resource Center, and others.

To meet the Administration's goal to fill 50 percent of new permanent jobs with Boston residents, the City will ask developers to submit an employment opportunity plan as part of the Development Impact Plan review process. The employment opportunity plan will detail the steps the developers intend to take to meet this goal. The staff of the Boston Redevelopment Authority will also work with developers to generate future tenant employment profiles. Such an employment profile has already been generated for the International

* This is a small fraction compared with the \$50 million received by Boston through the C.E.T.A. program four years ago.

Place project, as shown in the table on the following page. These profiles can be used as a guide to train future employees in skills which will be required by tenants after the two year construction phase.

The Administration's track record for construction job placement supports the feasibility of meeting this goal; in the first three quarters of 1984, 39 percent of total work hours were filled by Boston residents. This represents an increase of 26 percent over the previous year. Another example of the feasibility of meeting this goal is the success of the existing employment agreement for Copley Place. Under this agreement, the developers are funding half the cost of a satellite office of the Boston Job Exchange. This office works with Copley Place tenants to place Boston residents in new jobs. The developers have also agreed to invest in pre-employment and vocational skill training.

To oversee initial efforts, the Administration will form a Boston Jobs Task Force consisting of the Authority, the NDEA, other City departments, and the private and non-profit sector. The Task Force will utilize these departments' expertise in employment issues to capitalize on employment opportunities provided by new downtown development. NDEA will develop initiatives to meet the Administration's jobs goal. The Task Force will also work with the Boston Jobs Liaison Committee, which will be instituted as required by the Boston Jobs Ordinance. Finally, the Jobs Task Force will work in conjunction with the Boston Compact Participants to institutionalize job training programs within the Boston School System. The Boston Compact brings together all agencies concerned with schools in an effort to achieve these goals.

IV. DOWNTOWN PLAN

To manage growth effectively and to achieve the City's objectives for employment and training, for the design of the public environment, and for neighborhood revitalization, it is essential to create a plan for the downtown. There has not been a new comprehensive plan completed for the downtown since 1965. The urban renewal plans and various area plans which have been completed in the past nineteen years have not addressed growth and development comprehensively and many do not reflect the current market and design issues facing the city. Many parts of the downtown have been completely transformed and are confronting pressures to further develop and change dramatically in the years to come. For the older historic areas - the Custom House District, the Broad Street area, the Bulfinch Triangle, and areas of Back Bay and Beacon Hill - it is particularly important for the City to establish strong and effective guidelines to project and enhance the positive historic qualities of these districts. At the same time, it is important to assess the current and possible future status of areas which are being redeveloped such as the Government Center, Financial District, and Essex Street areas.

If the City is to balance effectively the goals of preserving the qualities of Old Boston while supporting and planning for new growth, a new comprehensive downtown plan is needed. The Administration's employment goals and commitments to ensure maximum benefits for the city's neighborhoods, while minimizing development's possible negative environmental effects, will be central to this plan.

INTERNATIONAL PLACE - JOB PROFILE PROJECTIONS

<u>PROFESSIONAL</u>	<u>NUMBER OF JOBS</u>
Lawyers	594
Accountants/Consultants	1587
Service Business	128
Investment	1211
Real Estate	280
Financial	137
Dentists/Doctors	7
<u>TECHNICAL</u>	
Paralegals	92
Programmers	50
Dental Hygienists	8
Sales Representatives	4
Computer Consultants	13
Cooks	21
Graphic Artists	12
Librarians	13
<u>MANAGERIAL</u>	
Office Managers	124
Branch Managers	4
Personnel	18
Store Managers	9
<u>SECRETARIAL AND SUPPORT</u>	
Word Processors	284
Secretaries	1782
Receptionists	276
Bookkeepers	185
Tellers	6
Medial Assistants	4
File Clerks	126
Mail Clerks	43
Messengers	28
Waiters and Bartenders	48
Printers	7
Proofreaders	15
<u>BUILDING MAINTENANCE</u>	
Engineers	9
Security	23
Electricians	7
Plumbers	7
Maintenance	15
Parking Attendants	13
	<u>7200</u>

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